



GG ENGINEERING LTD.

An ISO 9001: 2015 Certified Company

CIN: L28900MH2006PLC159174

cs.ggengg@gmail.com

September 7, 2022

Listing Compliance Department
BSE Limited
Phirozee Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Symbol: GGENG
Scrip Code: 540614

Sub: 16th Annual Report of the Company for the Financial Year 2021-22.

Dear Sir/Ma'am,

Pursuant to Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed herewith copy of 16th Annual Report of the Company for the Financial Year 2021-22.

The above information is also available on the Company's website at www.ggengg.in

We request you to kindly take the above information on record and oblige.

Yours faithfully,
For G G Engineering Limited

Atul Sharma
Whole Time Director
DIN: 08290588

G G Engineering Ltd

[CIN: L28900MH2006PLC159174]

2021-22



- **Annual Report**

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CORPORATE INFORMATION

KEY MANAGERIAL PERSONNEL	
Mr. Deepak Kumar Gupta	Whole-time Director
Mr. Atul Sharma	Whole-time Director
Mr. Uttam Kumar	Chief Financial Officer (CFO)
Ms. Meghna Kashtwal	Company Secretary & Compliance Officer
NON-EXECUTIVE & INDEPENDENT	
Mr. Kamal Beriwal	Non-Executive & Non-Independent Director
Mr. Om Prakash Aggarwal	Non-Executive & Independent Director
Mr. Nitin Bansal	Non-Executive & Independent Director
Mrs. Poonam Dhingra	Non-Executive & Independent Director
REGISTERED OFFICE & CORPORATE ADDRESS	
Regd.: Office No. 203, 2nd Floor, Shivam Chambers Premises CS Ltd, Near Sahara India, CTS No. 39, S.V. Road, Goregaon (West), Mumbai, Maharashtra, 400104. Corporate: Office No. 306, 3rd Floor, Shivam House Karam Pura, Commercial Complex, Opp. Milan Cinema New Delhi 110015.	
STATUTORY AUDITORS	
M/s A.K. Bhargav & Co. Chartered Accountants H. No. 103 A, New Lahore Shastri Nagar, Street No.4, New Delhi - 110031	
SECRETARIAL AUDITORS	
Bhuwadesh Bansal & Associates, Company Secretaries 002, Dreamland Park C wing CHS Ltd., Gokuldharm Road, Near Vijay Park, Mira Road - East, Thane — 401 107	
REGISTRAR & SHARE TRANSFER AGENT	
KFin Technologies Ltd, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500032	
BOARD COMMITTEES & ITS COMPOSITION	
AUDIT COMMITTEE	
Mrs. Poonam Dhingra	Chairperson
Mr. Nitin Bansal	Member
Mr. Om Prakash Aggarwal	Member
NOMINATION AND REMUNERATION COMMITTEE	
Mr. Nitin Bansal	Chairperson
Mr. Om Prakash Aggarwal	Member
Mrs. Poonam Dhingra	Member
STAKEHOLDERS RELATIONSHIP COMMITTEE	
Mr. Om Prakash Aggarwal	Chairperson
Mr. Nitin Bansal	Member
Mrs. Poonam Dhingra	Member

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of **G G Engineering Limited** will be held on Friday, September 30, 2022 at 11.30 AM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2022 including the audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss with Cash Flow Statement for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors' thereon.

2. APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY

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 Sections 139, 142 and other applicable provisions if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s A.K. Bhargav & Co. Chartered Accountants (Firm Registration No. 0034063N) be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years to hold office from the conclusion of 16th Annual General Meeting till conclusion of 21st Annual General Meeting at such remuneration plus out-of-pocket expenses and applicable taxes etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT any of the Directors of the Company (including its committee thereof) and/or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or to give effect to this resolution."

SPECIAL BUSINESS:

3. MEMBERS APPROVAL FOR BORROWING UNDER SECTION 180 (1)(C) OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special resolution:

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard if any, and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time. as may be deemed appropriate by the Board for an aggregate amount **not exceeding a sum of Rs. 100 crore** (Rupees One hundred Crore only) for the Company, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all the matters arising on behalf of the Company and generally to so all such acts,

deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

4. MEMBERS APPROVAL FOR SECURING THE BORROWINGS OF THE COMPANY UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013

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

“RESOLVED THAT in supersession of all the earlier resolutions passed in this regard if any, and subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does **not exceed a sum of Rs. 100 crore** (Rupees One hundred Crore only).

RESOLVED FURTHER THAT the Board of Directors 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 to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

5. MEMBERS APPROVAL TO MAKE LOAN AND INVESTMENT EXCEEDING THE CEILING PRESCRIBED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, and in supersession of the resolution passed earlier, if any, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (i) give any loan to any person or other body corporate, (6) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (ii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall **not exceed a sum of Rs. 100 crore** (Rupees One hundred Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary incidental and ancillary in order to give effect to this Resolution.”

6. MEMBERS APPROVAL FOR GIVING LOAN AND GUARANTEE OR PROVIDING SECURITY IN CONNECTION WITH LOAN AVAILED BY ANY SPECIFIED PERSON UNDER SECTION 185 OF THE COMPANIES, ACT, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, and in supersession of all the earlier resolutions passed in this regard if any, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by a book debt, business advance, advance for securing supplies of services/goods on a future date or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company Interested/deemed to be interested, **up to limits approved by the shareholders of the Company u/s 186 of the Companies Act, 2013**, from time to time in their absolute discretion as may be deemed beneficial and in the interest of the Company. provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary incidental and ancillary in order to give effect to this Resolution."

7. MEMBERS APPROVAL FOR RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT 2013

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard if any, and pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations") and the Company's policy on Related Party Transactions, approval of the Members be and is hereby accorded to the Board of Directors of the Company (Board) to enter into contract(s)/ arrangement(s)/transaction(s) with a related party(s) within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, **up to a maximum aggregate value of Rs. 100 crore** (Rupees Hundred Crore Only) at arm's length basis and in the ordinary course of business, for the Financial Year 2022-23.

RESOLVED FURTHER THAT documents, file applications and make representations in respect thereof the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.



RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or to any other Officer(s)/Authorized Representative(s) of the Company to do all such acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects."

By orders of Board
for **GG Engineering Limited**

Atul Sharma
Whole time Director
(DIN: 08290588)

Place: Delhi
Date: September 7, 2022

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
7. The Register of Members and Share Transfer Books shall remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (Both days inclusive) for the purpose of annual closing and for the 16th Annual General Meeting of the Company.
8. The Company has appointed M/s Kumar G & Co., a Practicing Company Secretary, as Scrutinizer to scrutinize the remote e-voting process and through poll at the Annual General Meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.ggengg.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the



EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
11. A copy of the Financial Statements along with the Auditor's Report, Board's Report, Corporate Governance Report and such other matters necessary for the shareholders is annexed to the notice in the Annual Report. Electronic copy of the Annual Report for 2021-22 is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participants(s) for communication. The Annual Report may also be accessed on the Company's Corporate Website www.ggengg.in.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 27th September, 2022 at 09:00 A.M. and ends on Thursday, 29th September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2022.

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

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





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDeAS ' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " Access to e-Voting " under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service

	<p>provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	<p>4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kumargpankaj@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs.ggengg@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@giesl.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs.ggengg@gmail.com. The same will be replied by the company suitably.
6. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
8. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

Item No. 2:

M/s. S G N & Co, Chartered Accountants (Firm Registration No. 134565W) was appointed as statutory auditors of the Company for a period of 1 year i.e. to hold office from the conclusion of 15th Annual General Meeting (AGM) held on September 13, 2022 till the conclusion of ensuing 16th AGM.

Therefore, Board of Directors of the Company recommended at its meeting held on September 7, 2022, that A.K. Bhargav & Co. Chartered Accountants (Firm Registration No. 0034063N) be appointed as statutory auditors of the Company for a period of 5 consecutive years from the conclusion of 16th AGM till the conclusion of 21st AGM to be held in the year 2027.

M/s A.K. Bhargav & Co. have conveyed their consent to be appointed as the statutory auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The terms of appointment including the remuneration payable to the statutory auditor will be specified by the Audit Committee & the Board of Directors of the Company.

The Audit Committee and Board of Directors of the Company have considered the following credentials of M/s A.K. Bhargav & Co. While considering their appointment:

- Availability of expertise in Accounting procedures/ processes, Audit, Direct/Indirect Taxation and Corporate Laws.
- Professional integrity, ethics and independence.
- Availability of well trained and experienced professionals.

The Board of Directors of your Company, therefore, recommend the Resolution set out in item no. 2 of this Notice for the approval of the members by way of passing an Ordinary Resolution.

None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their shareholding.

Item No. 3 & 4:

To support Company's business operations, the company requires funds and these funds are generally raised from various Banks and/or Financial Institutions and/or any other lending institutions and/or foreign lender and/or any other body corporate/entity/ entities and/or authority/authorities and/or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from of official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs. 100 crore (Rupees One hundred Crore only).

In term of section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Further, to secure the borrowing made by the Company, the company is generally asked to create charge on certain assets whole of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 empowers the Board of Directors to sell lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting.

Hence, it proposed to seek necessary members approval to borrow money from any bank, financial institutions, bodies corporate or business associates or through permitted channel in excess of paid up capital and free reserves of the company by a sum not exceeding Rs. 100 crore and creation of security through mortgage or pledge or hypothecation or otherwise or through combination for securing the limits as may be sanctioned by the lenders, for the loans to be sanctioned by any one or more company's bankers and/or by any one or more persons, firms, bodies corporate, or financial institutions or banks, the Company would be required to secure all or any of the Current assets, moveable properties of the Company present and future.

The resolution as set out at item No. 3 & 4 of the notice is placed for your approval of the aforesaid limits of borrowing by the board up to an amount not exceeding Rs. 100 crore.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 & 4 of the Notice, except to the extent of their shareholding, if any.

Item No. 5

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ('Act'), the Company shall not directly or indirectly: -

- a) give any loan to any person or other body corporate:
- b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its premium account whichever is higher.
- d) acquire by way of subscription, purchase or otherwise,

exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one free reserves and securities premium account, whichever is higher.

Pursuant to the provisions of Section 186 (3) of the 'Act', where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified in Section 186 (2) of the 'Act', prior approval by means of a Special Resolution passed at a General Meeting is necessary. In terms of Rule No.11 (1) of the Companies (Meeting of Board and its Powers) Rules ('Rules'), where a loan or guarantee is given or security has been provided by a company to its wholly-owned subsidiary or a joint venture, or acquisition is made by a holding company, by way of subscription of securities of its wholly owned subsidiary, the requirement of Section 186 (3) of the 'Act' shall not apply, however it will be included for the purpose of overall limit. In line with the long term objectives of the Company and for expanding its business further, the Company may be required to give loans or guarantees or make investments in excess of the limits specified in Section 186 (2) of the 'Act':

And accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to provide loans, guarantees and make investments up to a sum of Rs. 100 crore (Rupees One hundred Crore only) over and above the limits specified in Section 186 (2) of the 'Act' at any point of time.

The resolution is accordingly recommended for approval of the Members by way of a Special Resolution. None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice, except to the extent of their shareholding, if any.

Item no. 6:

As per the provisions of Section 185 of the Companies Act, 2013, no company shall, directly or indirectly, advance any loan including any loan represented by a book debt, business advance, advance for securing supplies of services/goods on a future date to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person.

However, in order to promote ease of doing business, the entire Section 185 of the Companies Act, 2013 has been substituted vide Companies (Amendment) Act, 2017 and the same was notified by the Ministry of Corporate Affairs on 7th May, 2018. In terms of the amended Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution and requisite disclosures are made in the Explanatory Statement.

The management is of the view that the Company may be required to invest funds in joint ventures, strategic alliance and other entities in the normal course of its business, make business advances or otherwise, give guarantee or provide any security in connection with any loans/debentures/bonds etc. raised by its associate or wholly owned subsidiary or to any other body corporate(s) in which the Directors of the Company may be interested, as and when required.

Hence, as an abundant caution, the Board decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan, including any loan represented by book debt, to its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested or to give guarantee or provide any security in connection with any loans/debentures/bonds etc raised by its subsidiary companies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested up to an aggregate amount of approved by the shareholder of the Company under Section 186 of the Company Act, 2013 over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more.

The Board of Directors recommends resolution for approval of the members of the Company by way of passing a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice, except to the extent of their shareholding, if any.

Item No. 7:

To ensure continuous business operation without any interruption, approval of the shareholders is being sought, to enter into related party transaction(s) with related party(s) as defined under within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, to avail and provide any service and for purchase and sale of goods and material for an amount of Rs. 100 crore during Financial Year 2022-23.

Approval being sought for Financial Year 2022-23 as per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the SEBI Listing Regulations states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The estimated value of transaction with related party(s) for



Financial Year 2022-23 will be Rs. 100 crore, as mentioned in item no. 7 of the Notice. Hence, to ensure uninterrupted operations of the Company, it is proposed to secure shareholders' approval for the related party contracts/ arrangements to be entered into with related party(s) during Financial Year 2022-23, as mentioned in Item no. 7 of the Notice.

The Board recommends the Ordinary Resolution set forth at Item No. 7 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice, except to the extent of their shareholding, if any.

By orders of Board
for **G G Engineering Limited**

Atul Sharma
Whole time Director
(DIN: 08290588)

Place: Delhi
Date: September 7, 2022

BOARD'S REPORT

The Board of Directors hereby submits the report of the business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2022.

FINANCIAL RESULTS AND OPERATIONS

The financial performance for the year ended March 31, 2022 is summarized below:

(Amount in Rs.)

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2022	2021	2022	2021
Net Sales /Income from Business Operations	15,14,38,717	27,75,69,446	22,55,33,462	37,41,70,495
Other Income	33,54,380	2,53,612	41,98,330	9,64,186
Total Income	15,47,93,097	27,78,23,058	22,97,31,792	37,51,34,680
Cost of material consumed	-	5,84,60,329	3,93,23,994	13,04,28,362
Purchase of Stock in trade	15,06,26,318	20,06,73,425	15,06,26,318	20,06,73,425
Employee Benefit Expense	13,79,920	92,98,122	34,03,197	1,25,56,019
Changes in Inventories	-	(1,25,23,669)	2,78,267	(1,40,31,850)
Financial Costs	-	43,76,784	36,47,853	78,53,979
Depreciation	24,03,790	28,92,906	1,14,16,654	1,19,67,965
Other Expenses	34,63,580	1,25,61,334	1,68,13,100	3,35,94,538
Profit before Exceptional items	(30,80,511)	20,83,826	42,22,409	(79,07,758)
Less: Exceptional items	-	-	-	-
Net Profit Before Tax	(30,80,511)	20,83,826	42,22,409	(79,07,758)
Less Current Tax	-	2,34,380	11,39,256	2,34,381
Less Previous year adjustment of Income Tax	-	-	-	-
Less Deferred Tax	(28,20,042)	1,67,844	(30,63,803)	60,122
Profit for the Period	(20,22,015)	16,81,602	40,15,258	(82,02,260)
Earnings per share	(0.046)	0.03	0.09	(0.16)

On Standalone basis, in Financial Year 21-22, our revenue from operations decreased to Rs. 15,14,38,717 as compared to Rs. 27,75,69,446 in the last year.

On consolidated basis, in Financial Year 21-22, our revenue from operations decreased to Rs. 22,55,33,462 as compared to Rs. 37,41,70,495 in the last year.

CHANGE IN NAME OF THE COMPANY

During the year under review, there was no change in the name of Company.

CHANGE IN REGISTERED OFFICE OF THE COMPANY FROM ONE STATE TO ANOTHER

Considering the fact that the Directors of the Company manages and controls the business operations of the Company from the state of Delhi and in order to exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of affairs, the Board of Directors of the Company has recommended to shift the Registered Office of the Company from the State of Maharashtra to the State of Delhi. Such a change would enable the Directors to guide the Company more



effectively and efficiently and also result in operational and administrative convenience and accordingly, members approval was obtained by way of passing Special Resolution on May 29, 2022 and necessary application was made to Regional Director, Western Region, Ministry of Corporate Affairs.

BUSINESS OVERVIEW & FUTURE OUTLOOK

Detailed information on the Company's Business overview and future outlook is incorporated in **Management Discussion and Analysis** forming part of the report.

STATE OF COMPANY'S AFFAIRS

i.	Change in status of the company	There was no change in status of the company.
ii.	Key business developments	The company has taken various steps to develop and promote its business. The company has added a new line of business activities. Please refer Management Discussion and Analysis for details.
iii.	Change in the financial year	There was no change in the financial year of company.
iv.	Change in the Registrar and Share Transfer Agent (RTA) of the Company	There was no change in the RTA of the company.
v.	Capital expenditure programmes	There was no capital expenditure programmes
vi.	Developments, acquisition and assignment of material Intellectual Property Rights	There were no Developments, acquisition and assignment of material Intellectual Property Rights.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') Management Discussion and Analysis report ("**MD&A Report**") providing a detailed overview of your Company's performance, industry trends, business and risks involved is provided separately and is forming part of the Annual Report.

SUBSIDIARY COMPANIES, JOINT VENTURE AND CONSOLIDATED FINANCIAL STATEMENTS

As on March 31, 2022 the Company have a Subsidiary Company named Shashi Beriwal and Company Private Limited.

BOARD OF DIRECTORS

The Board of Directors provides the blue print to the success of any organization, it plans and implements various strategies to grow not only in numbers but in value and cater to its stakeholders.

Your Company's Board consists of learned professionals and experienced individuals from different fields. Presently, your Board comprises of Six Directors, and Company Secretary. Amongst the directors, two are executive, and four are Non-Executive Independent Directors including one Women Independent Director on the Board.

The following changes took place in the composition of Board of Directors :

Name of Directors	Designation	DIN	Change	Changes w.e.f
Mr. Jaymin Modi	Independent Director	07352950	Cessation	03/01/2022
Mr. Brijesh Shah	Independent Director	07352957	Cessation	03/01/2022
Mr. Vinod Beriwal	Managing Director	01817948	Cessation	31/03/2022
Mrs. Sangeeta Beriwal	Executive Director	05251274	Cessation	31/03/2022
Mrs. Rashi Gupta	Director	06997278	Cessation	31/03/2022
Mr. Karan Kapadia	Independent Director	07722011	Cessation	31/03/2022
Mr. Neeraj Mishra	Independent Director	08096930	Cessation	31/03/2022
Mr. Kamal Beriwal	Whole Time Director	00310692	No Change	-
Mr. Nitin Bansal	Independent Director	09522632	Appointment	12/03/2022
Ms. Poonam Dhingra	Independent Director	09524982	Appointment	12/03/2022
Mr. Atul Sharma	Independent Director	08290588	Appointment	31/03/2022
Mr. Deepak Kumar Gupta	Director	00057003	Appointment	31/03/2022
Mr. Om Prakash Aggarwal	Independent Director	09553402	Appointment	31/03/2022

During the year, the Board of the Company met 7 times on April 24, 2021, June 23, 2021, August 13, 2021, October 14, 2021, November 2, 2021, February 5, 2022 and March 12, 2022, respectively.

The maximum gap between the two Board meetings was less than 120 days.

DECLARATION OF INDEPENDENCE

The Independent Directors have confirmed that they meet the criteria of Independence as stipulated under Section 149(6) of the Companies Act, 2013 read with the Regulation 16 (1) (c) of the Listing Regulations and they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence as an Independent Director of the Company.

The Board confirms to the declaration of the Independent Directors and there being no doubts as to veracity of the same, places the same on record.

KEY MANAGERIAL PERSONNEL

The Board of your Company consisted of the following Key Managerial Personnel (KMP'S) as on the year ended March 31, 2022:

- | | | |
|------|-------------------------|--|
| i. | Chief Financial Officer | : Mr. Uttam Kumar |
| ii. | *Company Secretary | : Ms. Apurva Singh |
| iii. | **Whole Time Director | : Mr. Atul Sharma & Mr. Deepak Kumar Gupta |



*Ms. Apurva Singh was the Company Secretary & Compliance Officer in the Financial Year 2021-22. Post closure, Ms. Sapna Tehanguriya has been appointed as Company Secretary & Compliance Officer in the Board Meeting held on April 27, 2022 & resigned on September 7, 2022. Finally, Ms. Meghna Kastwal was appointed as Company Secretary & Compliance Officer in the Board Meeting held on September 7, 2022.

**Mr. Atul Sharma and Mr. Deepak Kumar Gupta were appointed as Whole Time Director with effect from March 31, 2022.

BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 and Listing Regulations your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee.

Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. www.ggengg.in

Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members is provided under Corporate Governance Report forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(C) read with Section 134(5) of the Act, the Directors, to the best of their knowledge and ability, hereby confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed with proper explanation relating to material departures;
- ii. they have selected such accounting policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year March 31, 2022 and of the profit and loss of the company for the Financial Year;
- iii. they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. The annual accounts of the Company have been prepared on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

As per provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits as prescribed from time to time in the Directors' Report.



CAPITAL STRUCTURE

During the year, the Authorized Capital of the company is same as equity shares of Rs.10/- each to Rs. 10,50,00,000/- (Rs. Ten Crore Fifty Lakh only) divided into 1,05,00,000 (one crore five lakh) equity shares of Rs. 10/- each.

After closure of Financial Year 2021-22, the Authorized Share Capital of the Company has been increased from Rs. 10,50,00,000/- (Rupees Ten Crores Fifty Lakh) to Rs. 50,00,00,000/- (Rupees Fifty Crores) via Postal Ballot Notice dated April 27, 2022, concluded on May 29, 2022.

During the year under review, there is no change in the paid-up capital of the company.

The paid-up capital of the company is Rs. 103,10,450/- (Rupees Ten Crore Thirty-one Lakh Four Hundred & fifty) divided into 1,03,10,45 (One Crore Three Lakh Ten Thousand and Forty-five) equity shares of Rs. 10/- each.

LISTING OF EQUITY SHARES

Equity shares of the Company are listed and traded at BSE Limited (Scrip Code: 540614).

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and pursuant to the recommendations of Audit Committee, it is proposed to appoint M/s. SGN & CO, Chartered Accountants, Mumbai (Firm Registration No. 134565W), as the Statutory Auditors of the Company to hold office from the conclusion of 15th Annual General Meeting until the conclusion of ensuing 16th Annual General Meeting in the financial year 2021-22.

Further Auditor's Report on the Financial Statements of the Company for the Financial Year 2021-22 as submitted by M/s. SGN & CO, Chartered Accountants, did not contain any qualification, reservation or adverse remark and is self-explanatory.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

The Board of Directors recommended appointment of M/s. A.K. Bhargav & Co, Chartered Accountants, Mumbai (Firm Registration No. 0034063N), as the Statutory Auditors of the Company from the conclusion of 16th Annual General Meeting till the conclusion of 21st Annual General Meeting of the Company.

Secretarial Auditor

M/s. Bhunwesh Bansal & Associates, Practicing Company Secretary firm (FCS -6526 & COP. No: 9089) were appointed as the Secretarial Auditor of your Company to carry out the Secretarial Audit for the financial year under review. The Secretarial Audit Report issued by M/s. Bhunwesh Bansal & Associates, Practicing Company Secretary firm in Form No. MR-3 is annexed to this Annual Report.

In terms of extant provisions of Listing Regulations read with SEBI circulars issued on the subject, a Secretarial Compliance Report was also obtained by the Company from the Secretarial Auditors and the same was also intimated to the Stock Exchange.

There are no qualifications or reservations in the Secretarial Audit Report or in the Annual Secretarial Compliance Report.



Cost Audit

In accordance with the Section 148 of the Companies Act, 2013 and applicable rules made thereunder, companies which are engaged in the production of such goods or providing such services and have exceeded the net worth or a turnover of such amount as may be prescribed is required to maintain cost records and to appoint Cost Auditor to conduct audit of cost records maintained by the Company in a timely and proper manner. Therefore, Cost Audit is not applicable to the company.

BOARD'S COMMENT ON AUDITOR'S REPORT

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

DEPOSITS

During the period under review the Company has not accepted any public deposits and therefore no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

DIVIDEND

To conserve the resources for the expansion of business in the long run, your directors have not recommended any dividend for the Financial Year 2022-23 and have decided to retain the profits.

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

For the financial year ended on March 31, 2022, the Company has not transferred any sum to any reserve account therefore your company remained the balance of profit to profit & loss account of the company to surplus account.

ANNUAL RETURN

The Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 of your Company for the financial year under review is available at website of your Company i.e. www.ggengg.in.

CORPORATE GOVERNANCE AND ETHICS

The Company believes in adhering to the best corporate governance practices and its philosophy emphasizes on fair and transparent governance and disclosure practices which helps your Company to follow the path of its vision and mission. It strongly believes in developing best corporate governance policies and procedures based on principals of fair and transparent disclosures, equity, accountability and responsibility.

A detailed report on Corporate Governance, in terms of Regulation 34 of the Listing Regulations is forming part of the Annual Report. A certificate confirming compliance with requirements of Corporate Governance as enumerated under the extant provisions of Listing Regulations issued by Mr. Bhuvnesh Bansal, Proprietor of Bhuvnesh Bansal & Associates; Company Secretaries is also annexed to the said report.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility are not applicable to the Company and hence disclosures under Sec 135 of the Companies Act, 2013 are not applicable to the Company.

RECLASSIFICATION FROM 'PROMOTER AND PROMOTER GROUP' TO 'PUBLIC CATEGORY'

The Company has received request from Mr. Vinod H. Beriwal, Ms. Sangeeta V. Beriwal, Mr. Ashok Beriwal, Ms. Shashi Devi Beriwal and Ms. Rashi Gupta to re-classify them from 'Promoter and Promoter Group' to 'Public' shareholders category on June 24, 2022. The same was placed before Board at their meeting dated August 9, 2022.

The Company has made an application to BSE Limited for reclassification of certain individuals ('Outgoing Promoters') from 'Promoter and Promoter Group' to 'Public category', in accordance with Regulation 31A of Listing Regulations. The Board of Directors have approved the said reclassification on August 9, 2022 and this reclassification does not require shareholder's approval as the promoters seeking reclassification and persons related to the promoters seeking reclassification, together hold 0.19% which is not more than one percent of the total voting rights in the listed entity.

Name of the Promoter & Promoter Group	Existing Category	Proposed Category
Mr. Vinod Beriwal	Promoter	Public
Mr. Ashok Beriwal	Promoter Group	Public
Mrs. Sangeeta Beriwal	Promoter Group	Public
Mrs. Rashi Gupta	Promoter Group	Public
Mrs. Shashi Devi Beriwal	Promoter Group	Public

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant and material orders issued against the Company by any regulating authority or court or tribunal affecting the going concern status and Company's operation in future.

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there was no application made or proceedings pending in the name of the company under the Insolvency Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial institutions.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In terms of Section 186 of the Companies Act, 2013, particulars of inter-corporate loans, guarantees and investments are provided in the notes to Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188

All Related party transactions are entered on an arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. Company's policy on related party transactions can be accessed at its website www.ggengg.in

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company and date of this report.

However, following major events happened occurred between the end of the financial year to which these financial statements relate and the date of the report:

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

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

PARTICULARS	REMARKS
A. CONSERVATION OF ENERGY:	
The Steps taken or impact on conservation of energy;	The Company is taking due care for using electricity in the office and its branches.
The Steps taken by the company for utilizing alternate sources of energy;	Company usually takes care for optimum utilization of energy.
The Capital investment on energy conservation equipment's	No capital investment on Energy Conservation equipment made during the financial year.
B. TECHNOLOGY ABSORPTION:	
The Company has nothing to disclose with regard to technology absorption.	
C. FOREIGN EXCHANGE EARNINGS AND OUTGO:	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Foreign Exchange earned: Nil Foreign Exchange outgo: Nil

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received in this regard.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has a vigil mechanism named Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

RISK MANAGEMENT POLICY

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

INTERNAL FINANCIAL CONTROLS



The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

1. The internal financial control systems are commensurate with the size and nature of its operations.
2. All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
3. Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.
4. The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for review and necessary action.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

HEALTH, SAFETY AND ENVIRONMENT PROTECTION

Company's Health and Safety Policy commits to comply with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

APPRECIATION AND ACKNOWLEDGEMENT

Your Director's place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation, your company has been receiving from its Suppliers, Retailers, Dealers & Distributors and others associated with the Company. The Directors also take this opportunity to thank all Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support. Last but not the least, the Directors wish to thank all shareholders for their continued support.

for & On behalf of the Board of
GG Engineering Limited

Date: September 7, 2022
Place: New Delhi

Atul Sharma
Whole time Director
DIN: 08290588

Deepak Kumar Gupta
Whole time Director
DIN: 00057003

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: **NIL**
2. Details of contracts or arrangements or transactions at Arm's length basis:

S. No.	Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangement /transaction	Terms of the contracts or arrangements	Date of approval by the board	Amount paid as advances, if any
1.	Vinod Beriwal	Key Managerial Personnel	Remuneration	N.A.	12,00,000	N.A.	N.A.
2.	Kamal Beriwal	Key Managerial Personnel	Remuneration	N.A.	-	N.A.	N.A.
3.	Uttam Kumar	Key Managerial Personnel	Remuneration	N.A.	5,000	N.A.	N.A.
4.	Sapna Tehanguriya	Key Managerial Personnel	Remuneration	N.A.	48,000	N.A.	N.A.
5.	Vinod Beriwal	Key Managerial Personnel	Loan from Director	N.A.	1,09,23,734	N.A.	N.A.
6.	Sangeeta Beriwal	Director	Loan from Director	N.A.	23,36,061	N.A.	N.A.
7.	Shashi Beriwal & Company Private Limited	Subsidiary Company	Investment in shares	N.A.	1,54,73,500	N.A.	N.A.

for & On behalf of the Board of
GG Engineering Limited

Date: September 7, 2022
Place: New Delhi

Atul Sharma
Whole time Director
DIN: 08290588

Deepak Kumar Gupta
Whole time Director
DIN: 00057003



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY OVERVIEW:

Introduction

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

As indicated earlier, domestic economic activity turned out to be weaker in H1:2019-20 vis-à-vis projections in the April 2019 MPR in an environment of global headwinds. The expected pick-up in both private consumption and investment failed to materialize, and exports lost momentum under the weight of the slump in world trade. Although the south-west monsoon turned out to be above long period average, its uneven progress-both temporal and spatial-could impinge upon the prospects for agriculture.

Surveys by other agencies of future business expectations indicate a mixed picture. Firms in the manufacturing and services sectors polled in the Nikkei's purchasing managers' surveys were optimistic about one-year ahead output prospects.

There are upside as well as downside risks to the baseline growth scenario. The measures announced by the government in August-September to boost growth and investment - policy reforms on foreign direct investment (FDI), upfront release of funds for recapitalization of public sector banks (PSBs), merger of PSBs, incentives for exports and real estate, reduction in the corporate income tax rate - along with a faster resolution of stressed assets, and a faster pace of transmission of past repo rate cuts by banks to their lending rates impart an upward bias to the baseline growth projection path. However, further escalation of trade tensions, a hard or no-deal Brexit and increased volatility in global financial markets pose downside risks to the baseline growth path.

India Diesel Genset Market Overview

The Indian diesel genset market estimated to value \$1,039.7 million in 2018 is projected to reach \$1,518.1 million by 2024, demonstrating a CAGR of 6.5% during the forecast period, This growth is expected to be driven by the high demand and adoption of medium-and high-horsepower diesel gensets across the country. Furthermore, macroeconomic growth, coupled with revival in infrastructure, growth in manufacturing, and increase in commercial construction projects, is expected to boost the demand for these gensets for meeting prime and auxiliary power requirements in several facilities and plants in the coming years.

A diesel genset or a diesel generator set is an integrated system comprising a diesel engine and an electric generator that work in conjunction to produce electricity. The electricity produced by the genset is used for meeting power requirements.

On the basis of power rating, the market is classified into 5 kVA-75 kVA, 76 kVA-375 kVA, 376 kVA-750 kVA, and above 750 kVA diesel gensets. In terms of volume, the category of 5 kVA-75 kVA gensets is estimated to hold the largest share in the Indian diesel genset market in 2018. These gensets are



employed in high volumes at residential and small commercial installations, construction projects, and telecom towers. Besides, since these generators are manufactured by a large number of market players in both organized and unorganized sectors, they are generally competitively priced. Besides, factors such as investments in the telecom sector and growing installation of tower towers for connectivity in remote locations, coupled with improvements in current network capabilities, are expected to support the demand for these gensets in the Indian diesel genset market.

The Indian diesel genset market is also categorized into commercial, industrial, and residential applications. Of these, gensets for commercial application are estimated to contribute the largest revenue to the market in 2018. This can be mainly attributed to the high demand for diesel generators in *telecom* towers, commercial *offices*, hospitals, and hotels, Additionally, growing cloud adoption by public and public players, increasing focus of telecom companies toward high-speed services, and construction of captive and colocation data centers are expected to drive the demand for these gensets during the forecast period.

In terms of volume, nearly half of the demand in the Indian diesel genset market is estimated to be generated by Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, and Uttar Pradesh in 2018. This can be mainly attributed to the high regional demand for these gensets in various application areas, including telecom towers, residential facilities, construction projects, and manufacturing plants, for meeting prime and auxiliary power requirements.

Our growth strategy:

Our strategy is to build upon our competitive strengths and business opportunities to become one of the vital Diesel Genset manufacturing Company. We intend to achieve this by implementing the following strategies:

To reap the benefit by enhancing manufacturing capacities

We are focused on establishing and increasing our manufacturing facilities, as this will allow us to exercise control over manufacturing costs and the quality of the finished products. We believe that an increase in manufacturing capacity will help us reap the benefits of economies of scale. Higher volumes would enable us to also make competitive raw material purchases and this would eventually lead to an improvement in the price competitiveness of our products.

Constant Technology Up gradation

Our Company has focused on constant up gradation of its machineries and equipments used in our business from various parts of the world keeping in mind its usage in the Indian conditions.

Continue to develop client relationships

We plan to grow our business primarily by growing the number of client relationships, as we believe that increased client relationships will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients reap fruitful returns. Long-term relations are built on trust and continuous meeting with the requirements of the customers.



Pursue strategic acquisitions

In order to expand, we seek to identify acquisition targets and/or joint venture partners whose resources, capabilities, technologies and strategies are complementary to and are enabling us to establish our presence in new geographical locations.

Penetration in to global markets

We are looking forward to enter into global markets and we plan to target countries where we can leverage our track record and experience in India to compete effectively and expand our revenue base.

SWOT

Strengths

- Cordial relations with Customers
- In depth knowledge of Industry - Commercial & Technical
- Established manufacturing facility
- Infrastructural support
- Low overhead cost
- Experienced management team

Weaknesses

- Dependent upon growth in Diesel Gensets industry
- Insufficient market reach
- Surge in finance needs to cope up with the increased demand
- Heavy dependence on few suppliers
- Tough competition means limited market share

Opportunities

- Growing acceptance by consumers
- Rapid urbanization and growth in infrastructure will create demand for Diesel Gensets
- Opportunities in the Asian market
- Rise in the demand for Diesel Gensets
- Tightening of Emission standards
- Growth in filtration market

Threats

- Industry is prone to changes in government policies, any material changes in the duty or international raw material prices may adversely impact our financials.
- There are no entry barriers in our industry, which puts us to the threat of competition from new entrants,
- Intense competitive pressure
- Rising labor wages

HUMAN RESOURCES AND INDUSTRIAL RELATION:

The company has maintained very harmonious & cordial Industrial relations. There is continuous emphasis on development of human resources through training. The issues pertaining to workers are resolved in harmonious and in cordial manner through regular interactions. We believe whatever we achieved from where we started our journey long back is the result of efforts of our team. So, we consistently aim to provide a sustainable environment for learning right from the stage of recruitment to retention.



INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal audit was carried out by firm of Chartered Accountants, who conduct the audit on the basis of Annual Audit Plan. The processes include review and evaluation of effectiveness of the existing processes, controls and compliances. It also ensures adherence to policies and systems, and mitigation of the operational risks perceived for each areas under audit, significant observations including recommendations for improvement of the business processes were reviewed by the management before reporting to the Audit Committee. The committee has reviewed the Internal Audit procedures, findings and status of implementation of the agreed action plan.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report, describing the Company's objectives, projections and estimates, are forward-looking statements and progressive within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include global and domestic demand and supply conditions affecting selling prices, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.



**SECRETARIAL AUDIT REPORT
FORM NO. MR – 3**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,
The Members,
G G Engineering Limited
Office No. 203, 2nd Floor,
Shivam Chambers Co-op Soc Ltd.,
S.V Road, Goregaon - West,
Near Sahara Apartment,
Mumbai - 400104

I have conducted the secretarial audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **G G Engineering Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/Statutory compliances and expressing my opinion thereon.

Based on my verification of G G Engineering Limited's books, papers, minute books, form 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, form and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (3) The SEBI Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) 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;
- (5) The following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit period)**

- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation, 1993, regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the Audit period)**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit period)**
- j. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not Applicable to the Company during the Audit Period)**
- k. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period).**

I have also examined Compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to listing agreement entered into by the Company with BSE Ltd (BSE).

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

I further report that, having regard to compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. Income Tax Act 1961.
2. Factory Act, 1948.

I further report that the Board of Directors of the Company is duly constituted with Proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes, decisions at the Board Meetings were taken unanimously.

I further report that the Ministry of Corporate Affairs, New Delhi has sent Show Cause Notice to the Company that the Company has not annexed the copy of the Secretarial Audit Report with its Board Report made in terms of sub-section (3) of Section 134 of the Companies Act, 2013 for the Financial Year 2016-17. As per the provision of Section 204 of the Companies Act, 2013. It has resulted in violation of the provision of Section 204 of the Companies Act, 2013 and therefore the Company and its Officer in default are/were liable to be punishable u/s 204(4) of the Companies Act, 2013.

I further report that the Company have not been complied the provisions of below mention Regulation of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: -.

- (i) The Company had submitted the Disclosure of encumbered shares on a yearly basis under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with BSE Ltd. on 4th May, 2022, which was delayed by 23 days.

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

I further report that during the audit period, the Company has passed following Special Resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines.

- (i) To Sale or Transfer of Immovable property of the Company.
- (ii) To Sale, Transfer or Disposal of the Shares held by the Company in its Subsidiary.

I further report that during the audit period, there were no instances of:

- (i) Right/ debentures/ sweat equity.
- (ii) Redemption/ buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.

Place: Mumbai
Date: 28th May, 2022

for **Bhuwesh Bansal & Associates**

Bhuwesh Bansal
Proprietor
FCS No. – 6526
CP No. – 9089
UDIN: F006526D000416782
Peer Review Certificate No.: 1708/2022

This Report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



Annexure A

To,
The Members,
G G Engineering Limited
Office No. 203, 2nd Floor,
Shivam Chambers Co-op Soc Ltd.,
S.V Road, Goregaon - West,
Near Sahara Apartment,
Mumbai - 400104

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

1. Maintenance of Secretarial record is responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 28th May, 2022

for **Bhwnesh Bansal & Associates**

Bhwnesh Bansal
Proprietor
FCS No. – 6526
CP No. – 9089
UDIN: F006526D000416782
Peer Review Certificate No.: 1708/2022



**Secretarial Compliance Report of G G Engineering Limited
for the year ended 31st March, 2022**

[Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
**The Board of Directors,
G G Engineering Limited**
Office No. 203, 2nd Floor,
Shivam Chambers Coop Soc Ltd.,
S.V Road, Goregaon West,
Near Sahara Apartment,
Mumbai – 400104

We, Bhuvnesh Bansal & Associates, Practicing Company Secretary firm have examined:

- (a) all the documents and records made available to us and explanation provided by **G G Engineering Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document / filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2022 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not Applicable to the Company during the Audit Period)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participant) regulations, 2018;

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

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

Sr. No.	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Deviations	Observations/ remarks of the Practicing Company Secretary, if any.
1.	<i>Disclosure of encumbered shares under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011</i>	<i>Disclosure of encumbered shares on a yearly basis under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 was not submitted with BSE Limited on due date.</i>	<i>The Company had submitted the Disclosure of encumbered shares on a yearly basis under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with BSE Ltd. on 4th May, 2022, which was delayed by 23 days.</i>

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) No actions were taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

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

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

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

1.	<i>Financial Results for quarter ended 30th June 2020 was not submitted with BSE Limited on due date.</i>	<i>31st March, 2021 (FY 2020-21)</i>	<i>Financial Results for quarter ended 30th June 2020 was submitted by the Company on 13th November, 2020 which was delayed by 59 days & the Company had paid fine imposed by BSE Ltd on 16th September, 2021 of Rs. 259600/- including GST</i>	<i>The Company had paid fine imposed by BSE Ltd on 16th September, 2021 of Rs. 259600/- including GST on 1st October, 2021.</i>
2.	<i>Disclosure of Related party transactions for half yearly ended 30th September, 2020 was not submitted with BSE Limited on due date.</i>	<i>31st March, 2021 (FY 2020-21)</i>	<i>Disclosure of Related party transactions for half yearly ended 30th September, 2020 was submitted on 23rd January, 2021 which was delayed by 42 days and the Company had submitted the request for waiver of fine for the same with BSE Ltd. Company's request for waiver of the fine has been approved by BSE Ltd on 25th June, 2021.</i>	<i>Company's request for waiver of the fine has been approved by BSE Ltd on 25th June, 2021.</i>

Place: Mumbai
Date: 10th May, 2022

for **Bhwnesh Bansal & Associates**

Bhwnesh Bansal
Proprietor
FCS No. – 6526
CP No. – 9089
UDIN - F006526D000299038
Peer Review Certificate No.: 1708/2022

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015)

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of maximizing shareholder's value and discharge the social responsibilities.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements or the applicable regulations, including the Listing Agreement executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

In addition to these, the Company has also adopted *the* requirements of Corporate Governance under Regulation 34 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the disclosure requirements of which are given below;

i. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

ii. Board of Directors (Board):

a) Board Composition:

The Board of the Company should consist of optimum combination of Executive, Non-Executive - Independent Director, which should be in conformity with the requirement of Regulation 17 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

The present strength of the Board is Six (6) *Directors*, of which two are executive and four are independent Directors including one Women independent Directors on the Board.

The Board Members possess the skills, expertise & experience necessary to guide the Company.

Name of Director	Designation
Mr. Atul Sharma	Whole Time Director
Mr. Deepak Kumar Gupta	Whole Time Director
Mr. Kamal Beriwal	Non-Executive – Non-Independent Director
Mrs. Poonam Dhingra	Non-Executive - Independent Director
Mr. Nitin Bansal	Non-Executive - Independent Director
Mr. Om Prakash Aggarwal	Non-Executive - Independent Director

The following committees have been formed in compliance with the corporate governance norms:

1. Audit Committee
2. Stakeholder's relationship Committee
3. Nomination and Remuneration Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Ad, 2013 and SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015.

The terms of reference of Audit Committee complies with the requirements of Companies Act and SEBI LODR Regulations. The committee presently comprises following three (3) members.

Mrs. Poonam Dhingra is the Chairperson of the Audit Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mrs. Poonam Dhingra	Chairperson	Non-Executive & Independent Director
2.	Mr. Nitin Bansal	Member	Non-Executive & Independent Director
3.	Mr. Om Prakash Aggarwal	Member	Non-Executive & Independent Director

Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. 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.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the

- monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Review and monitor the auditor's independence and performance, and effectiveness of audit process
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 16. 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.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. Mandatorily reviews the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 22. Review the Financial Statements of its subsidiary company, if any.
 23. Review the composition of the Board of Directors of its Subsidiary Company, if any.
 24. Review the Vigil mechanism (whistle blowing) policy.
 25. Examination of the financial statement and the auditors' report thereon;
 26. Approval or any subsequent modification of transactions of the company with related parties;
 27. Scrutiny of inter-corporate loans and investments;
 28. Valuation of undertakings or assets of the company, wherever it is necessary;
 29. Evaluation of internal financial controls and risk management systems;
 30. Monitoring the end use of funds raised through public offers and related matters.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholders relationship Committee to redress the complaints of the shareholders. The committee currently comprises of three (3) members.

Mr. Om Prakash Aggarwal is the Chairman of the committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Om Prakash Aggarwal	Chairperson	Non-Executive & Independent Director
2.	Ms. Poonam Dhingra	Member	Non-Executive & Independent Director
3.	Mr. Nitin Bansal	Member	Non-Executive & Independent Director

Role of stakeholder Relationship committee

The Stakeholder Relationship Committee / Investors Grievance Committee of our Board look into:

- Redressal of shareholders'/ investors' complaints viz. non-receipt of annual report, dividend payments etc.;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Issue of duplicate certificates and new certificates on split/ consolidation/ renewal, dematerializations;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Any other power specially assigned by the Board of Directors of the Company.

NOMINATION AND REMUNERATION COMMITTEE

Section 178(1) of the Companies Act, 2013 requires every listed company to constitute a "Nomination and Remuneration Committee", accordingly, during the year under review, Our Company has constituted a Nomination and Remuneration committee. The Composition of the Nomination and Remuneration Committee has been as under:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Nitin Bansal	Chairperson	Non-Executive & Independent Director
2.	Ms. Poonam Dhingra	Member	Non-Executive & Independent Director
3.	Mr. Om Prakash Aggarwal	Member	Non-Executive & Independent Director

The terms of reference of the Nomination and Remuneration Committee are as follows:

- The remuneration committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a member of more than 10 Committees and chairman of more than 5 Committees as specified in SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, across all Companies in which they are Directors. As per SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

iii. Information on Investor Grievances for the period from 1st April, 2021 to 31st March, 2022:

There are no outstanding complaints at the close of financial year which were received from shareholders during the year. The Company has no transfers pending at the close of the financial year.

The total no. of complaints received and complied during the year were:

Opening: Nil/Complaints Received: 0/Complied: 0/ Pending: Nil

The Outstanding complaints as on 31st March, 2022 - Nil

iv. Compliance Officer:

Ms. Apurva Singh was the Company Secretary & Compliance Officer in the Financial Year 2021-22.

Post closure, Ms. Sapna Tehanguriya has been appointed as Company Secretary & Compliance Officer in the Board Meeting held on April 27, 2022 & resigned on September 7, 2022. Finally, Ms. Meghna Kastwal was appointed as Company Secretary & Compliance Officer in the Board Meeting held on September 7, 2022.

v. Independent Directors Meeting:

During the reporting financial year, a separate Meeting of the Independent Directors of the Company was held on March 7, 2022 where at the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulation, 2015 were set out as the Agenda:

- To Review the performance of the non-independent directors and the Board as a whole;
- To assess the quality, quantity and timeliness of flow of information between the management of the Company and Board.

vi. CEO/CF0 Certification

The Managing Director and the Chief Financial Officer have issued a certificate pursuant to Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs.

vii. Auditors Report on Corporate Governance

The auditors' certificate on compliance of Corporate Governance norms is annexed to this Report.

viii. Other Disclosures:

a) Subsidiary Company:

The Company does have Subsidiary Company (Shashi Beriwal & Company Private Limited).

b) Materially significant related party transactions:

There were no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiary or relatives etc. during the year, that may have potential conflict with interest of the Company at large.



c) Statutory Compliance, Penalties and Strictures:

The Company has complied with all requirements of the Listing Agreements entered with Stock Exchanges as well as applicable regulation and guidelines of SEBI. There were no strictures or penalties imposed by either SEBI or any Statutory Authorities for non-compliance of any matter related to the capital markets during the last three years.

d) Whistle Blower Policy:

The Board of Directors of the Company has adopted a Whistle Blower Policy for establishing a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's website. The Company affirms that no employee has been denied access to the Audit Committee.

ix. **Details relating to utilization of IPO Proceeds:**

During the year, your Company did not raise any funds by way of Public Issues, Rights Issues and Preferential Issues, etc.



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

To,
The Members of
G G Engineering Limited
Office No. 203, 2nd Floor,
Shivam Chambers Coop Soc Ltd.,
S.V Road, Goregaon West,
Near Sahara Apartment,
Mumbai - 400104

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **G G Engineering Limited** having CIN - L28900MH2006PLC159174 and having registered office at Office No. 203, 2nd Floor, Shivam Chambers Coop Soc Ltd., S.V Road, Goregaon West, Near Sahara Apartment, Mumbai - 400104 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Maharashtra, Mumbai or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. Deepak Kumar Gupta	00057003	31/03/2022
2.	Mr. Kamal Beriwal	00310692	21/11/2016
3.	Mr. Atul	08290588	31/03/2022
4.	Mr. Nitin Bansal	09522632	12/03/2022
5.	Mrs. Poonam Dhingra	09524982	12/03/2022
6.	Mr. Om Prakash Aggarwal	09553402	31/03/2022

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

Place: Mumbai
Date: 28th May, 2022

for **Bhwnesh Bansal & Associates**

Bhwnesh Bansal
Proprietor
FCS No. – 6526
CP No. – 9089
UDIN: F006526D000416826
Peer Review Certificate No.: 1708/2022



WTD'S/CFO'S CERTIFICATE

We, Deepak Kumar Gupta, Executive Director and Uttam Kumar, Chief Financial Officer of **G G Engineering Limited**, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee, wherever applicable,
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For G G Engineering Limited

For G G Engineering Limited

Deepak Kumar Gupta
Executive Director

Uttam Kumar
Chief Financial Officer

Place: Delhi

Date: September 7, 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
G. G. ENGINEERING LIMITED

Report on the Standalone financial statements

We have audited the accompanying standalone financial statements of G. G. Engineering Limited ("The Company"), which comprise the Balance Sheet as at 31st March, 2022, Statement of the Profit & Loss (including other comprehensive income), changes in equity and the cash flow statement for the year ended including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and Profit & Loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter Paragraph

- a) We draw attention that we have not verified the Quantitative and physical Stock year to date. The Stock has been verified by third party and the report is provided to us.

As per Standard on Auditing 600 Using the Work of another Auditor, the stock audit report has been provided to us and we have relied on the work done by other auditor.

- b) We draw attention that the Company has not provided GST liability on the advances received by the Company from vendors. The impact of the liability is not ascertained

Our conclusion is not modified in respect of the above all matters.

- c) We draw the attention that the company had discontinued its operation in situated at Palej Industrial Estate, Bharuch, Gujrat pertaining to Genset manufacturing. The company also sells its Agriculture land situated at village Bisahara, Pargana, Dadri, G B Nagar, Uttar Pradesh during the year.

- d) We draw attention to note no 13 to the Standalone Audited Financial Results in which the company has disclosed that the promoter of the company had reduced their stake in the company by 42.80% through selling the share in the open market.

- e) We draw attention to note no 28 to the Standalone Audited Financial Results in which the company has disclosed the Contingent liability of ₹ 75,22,748/- towards disputed income tax demand. The management have the opinion that the outcome of the appeal would be in favor of the company hence no provision has been provided.



As per IND AS 37: PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS we are of the opinion that it's not a contingent liability. As per our opinion the Probability of favorable outcome is less than 50% in company's favor, hence provision should have provided for the liability arising out of income tax dispute.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Standalone Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our



Report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditors' 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, we further report that:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

for **SGN & CO**
Chartered Accountant
FRN – 134565W

Nirmal Jain
Partner
Membership No.: 154074
UDIN: 22154074AJVETU6759

Place: Mumbai
Date: 28th May, 2022

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred under "Report on other Legal and Regulatory Requirement's" section of our Independent Auditors report to the members of the company on the standalone financial statements for the year ended 31st March 2022.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a)
 - The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - The Company has maintained proper records showing full particulars of Intangible Assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets at reasonable intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company as at the balance sheet date.
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - a) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
- ii)
 - a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
 - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year	NIL	NIL	2,77,64,058/-	6,99,114/-

- Subsidiaries	NIL	NIL	1,54,73,500/-	NIL
- Joint Ventures			NIL	NIL
- Associates			NIL	NIL
- Others				
Balance outstanding as at balance sheet date in respect of above cases	NIL	NIL		
- Subsidiaries			1,54,73,500/-	NIL
- Joint Ventures				NIL
- Associates				NIL
- Others				

- a) As per the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- b) As per the information and explanation given to us, the loan granted are repayable on demand and no repayment schedule is stipulated.
- c) In the view of (d) above, there is no overdue amount in respect of the loan taken by the company.
- d) As per the information and explanation given to us, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- e) As per the information and explanation given to us, the company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans		NIL	NIL
- Repayable on demand (A)	NIL		
- Agreement does not specify any terms or period of repayment (B)	2,84,63,172/-		
Total (A+B)	2,84,63,172/-	NIL	NIL
Percentage of loans/ advances in nature of loans to the total loans	100%	NIL	NIL

- iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii) In respect of statutory dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the statute	Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Litigated Statutory Liability	75,22,748	A.Y 17-18	CIT Appeals

According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

- viii)
 - a. In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b. Company is not declared willful defaulter by any bank or financial institution or other lender.
 - c. According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained.

d. According to the information and explanation given to us, funds raised on short term basis have not been utilized for long term purposes.

e. According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f. According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- x) a. According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. According to the information and explanation given to us, no whistle-blower complaints, received during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

- xi) Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company.
- xii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiii) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.

We have considered the internal audit reports for the year under audit, issued to the Company during the year. in determining the nature, timing and extent of our audit procedures.

- 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, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xv) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- xvi) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- xvii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable.
- xviii) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xix) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

for **SGN & CO**
Chartered Accountant
FRN – 134565W

Nirmal Jain
Partner
Membership No.: 154074
UDIN: 22154074AJVETU6759

Place: Mumbai
Date: 28th May, 2022

ANNEXURE B TO AUDITOR'S REPORT

Referred to in paragraph 2 (f) under “Report on other Legal and Regulatory Requirement’s” section of our report to the members of G. G. ENGINEERING LIMITED of even date

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 **G. G. ENGINEERING LIMITED** as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 and adequacy of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibilities

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Financial Controls based on the assessed risk. The procedures selected depend on the auditors’ 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 over financial reporting.

Meaning Of Internal Financial Controls over Financial Reporting

A company’s Internal Financial Controls 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 Controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of the 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 expenditure of the Company are being made only in accordance with authorization of the Management and directors of the Company;



and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls Over Financial Reporting

Because of the inherent limitation of Internal Financial Controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or frauds may occur and not be detected. Also, projection of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the Internal Financial Controls over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate Internal Financial Controls over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31st March, 2022, based on the Internal Controls 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 **S G N & CO**
Chartered Accountant
FRN – 134565W

Nirmal Jain
Partner
Membership No.: 154074
UDIN: 22154074AJVETU6759

Place: Mumbai
Date: 28th May, 2022

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
G. G. ENGINEERING LIMITED**

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of G. G. Engineering Limited ('The Company') and its subsidiaries (the company and its subsidiaries and sub subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, Consolidated Statement of the Profit & Loss (including other comprehensive income), consolidated statement of changes in equity and the Consolidated statement of cash flow statement for the year ended including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at 31 March 2022, and Consolidated Profit & Loss (including other comprehensive income), consolidated statement of changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter Paragraph

- a) We draw attention that we have not verified the Quantitative and physical Stock year to date. The Stock has been verified by third party and the report is provided to us.

As per Standard on Auditing 600 Using the Work of another Auditor, the stock audit report has been provided to us and we have relied on the work done by other auditor.

- b) We draw attention that the holding Company has not provided GST liability on the advances received by the Company from vendors. The impact of the liability is not ascertained.
- c) We draw the attention that the holding company had discontinued its operation in situated at Palej Industrial Estate, Bharuch, Gujrat pertaining to Genset manufacturing. The holding company also sell its Agriculture land situated at village Bisahara, Pargana, Dadri, G B Nagar, Uttar Pradesh during the year.

- d) We draw attention to note no 13 to the Consolidated Audited Financial Results in which the holding company has disclosed that the promoter of the company had reduced their stake in the holding company by 42.80% through selling the share in the open market.
- e) We draw attention to note no 31 to the Consolidated Audited Financial Results in which the group has disclosed the Contingent liability of ₹ 75,22,748/- towards disputed income tax demand. The holding company management have the opinion that the outcome of the appeal would be in favor of the holding company hence no provision has been provided.

As per IND AS 37: PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS we are of the opinion that its not a contingent liability. As per our opinion the Probability of favorable outcome is less than 50% in holding company's favor, hence provision should have provided for the liability arising out of income tax dispute.

Our conclusion is not modified in respect of the above all matters.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the Consolidated state of affairs, Consolidated profit and loss (including other comprehensive income), consolidated statement of changes in equity and Consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective board of directors of the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Other Matters

- a. We did not audit the financial statements of Shashi Beriwal and Company subsidiaries, whose financial statements total assets of Rs. 1,575.60 lakhs as at 31st March, 2022, total revenues of Rs. 740.95 lakhs. The consolidated financial statements also include the Group's share of net profit of Rs. 64.07 lakhs for the year ended 31st March, 2022, whose financial statements / financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.
- b. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries which are incorporated in India, as on 31 March 2022 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Holding Company and its subsidiary companies. Our Report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the matter to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the act, as amended:

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

- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclosed the impact of pending litigations as at 31 March 2022 on its consolidated financial position of the Group.
 - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the



consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

for **SGN & CO**
Chartered Accountant
FRN – 134565W

Nirmal Jain
Partner
Membership No.: 154074
UDIN: 22154074AJVEWH5996

Place: Mumbai
Date: 28th May, 2022



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (f) under “Report on Other Legal and Regulatory Requirements” section of our report to the members of G. G. Engineering Limited of even date.

Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **G. G. ENGINEERING LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for the Internal Financial Controls

The respective Board of Directors of the of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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' Responsibilities

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”) issued by the ICAI 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 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 judgments, 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 Controls 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 Controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of the 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 expenditure of the Company are being made only in accordance with authorization of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls Over Financial Reporting

Because of the inherent limitation of Internal Financial Controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or frauds may occur and not be detected. Also, projection of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the Internal Financial Controls over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 **SGN & CO**
Chartered Accountant
FRN – 134565W

Nirmal Jain
Partner
Membership No.: 154074
UDIN: 22154074AJVEWH5996

Place: Mumbai
Date: 28th May, 2022

G G Engineering Limited
Standalone Balance Sheet as at March 31, 2022

(Amount in ₹)

S. No.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
(1)	Non-Current Assets			
	(a) Property, Plant and Equipment	3	60,58,720	12,58,80,365
	(b) Financial Assets			
	(i) Investments	4	5,32,75,065	5,32,75,065
	(ii) Loans	5	20,32,750	18,86,792
	(ii) Other Financial Asset	6	9,68,176	14,61,449
	(c) Other Non-current Assets	7	32,95,289	39,15,880
(2)	Current Assets			
	(a) Inventories	8	46,61,755	2,18,49,113
	(b) Financial Assets			
	(i) Trade Receivables	9	8,98,53,267	5,50,47,105
	(ii) Cash and Cash Equivalents	10	9,62,538	15,39,050
	(iii) Loans	11	2,64,30,422	31,86,238
	(c) Other Current Assets	12	1,04,339	2,32,196
	TOTAL ASSETS		18,76,42,321	26,82,73,253
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Share Capital	13	10,31,00,450	10,31,00,450
	(b) Other Equity	14	5,85,16,909	4,66,40,350
	LIABILITIES			
(1)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	-	69,76,345
	(c) Deferred Tax Liabilities (Net)	16	2,92,462	31,12,505
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	1,43,02,286	3,76,04,735
	(ii) Trade Payables	17		
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		10,24,389	5,72,93,583
	(b) Other current liabilities	18	1,04,05,825	1,35,45,285
	TOTAL EQUITY AND LIABILITIES		18,76,42,321	26,82,73,253

Summary of Significant Accounting Policies

2

The accompanying notes from 1 to 33 are an integral part of these standalone IND AS Financial Statements

As per our attached report of even date.

SGN & Co

Chartered Accountants

FRN 134565W

For & on behalf of the Board of Directors of

G G Engineering Limited

Nirmal Jain

Partner

Membership No 154074

Deepak Kumar Gupta

Whole Time Director

DIN No: 00057003

Kamal Beriwal

Director

DIN No: 00310692

Place: Mumbai

UDIN: 22154074AJVETU6759

Date: 28 May, 2022

Sapna Tehanguriya

Company Secretary

PAN: BBIPT7756E

Uttam Kumar

Chief Financial Officer

PAN: ACXPK7432R

G G Engineering Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹)

Sr. No.	Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
I	Revenue from Operations	19	15,14,38,717	27,75,69,446
II	Other Income	20	33,54,380	2,53,612
III	Total Income (I+II)		15,47,93,097	27,78,23,058
IV	Expenses			
	Cost of materials consumed	21	-	5,84,60,329
	Purchases of Stock -in-Trade		15,06,26,318	20,06,73,425
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	22	-	-1,25,23,669
	Employee benefit expenses	23	13,79,920	92,98,122
	Finance costs	24	-	43,76,784
	Depreciation and amortization expenses	25	24,03,790	28,92,906
	Other Expenses	26	34,63,580	1,25,61,334
	Total Expenses (IV)		15,78,73,608	27,57,39,232
V	Profit/(Loss) before exceptional items and tax (I-IV)		-30,80,511	20,83,826
VI	Exceptional Items		-	-
VII	Profit/(Loss) before tax (V-VI)		-30,80,511	20,83,826
VIII	Tax Expense:			
	(1) Current Tax			2,34,380
	(2) Deferred Tax		-28,20,042	1,67,844
	(Short)/Excess Provision of Tax		-17,61,546	
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		-20,22,015	16,81,602
X	Profit/(Loss) from discontinued operations	27	-3,70,152	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(Loss) from Discontinued Operations (after tax) (X-XI)		-3,70,152	-
XIII	Profit/(Loss) for the period (IX+XII)		-23,92,167	16,81,602
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		1,68,726	2,51,727
	(ii) Income tax relating to items that will be reclassified to profit or loss		-43,869	-65,449
	Total Comprehensive Income for the period (XIII+XIV)		-22,67,310	18,67,880
XIV	Earnings per Equity Share	28		
	(1) Basic		-0.046	0.03
	(2) Diluted		-0.044	0.04

Summary of Significant Accounting Policies

2

The accompanying notes from 1 to 33 are an integral part of these standalone IND AS Financial Statements

As per our attached report of even date.

SGN & Co

Chartered Accountants

FRN 134565W

For & on behalf of the Board of Directors of
G G Engineering Limited

Nirmal Jain

Partner

Membership No 154074

Deepak Kumar Gupta

Whole Time Director

DIN No: 00057003

Kamal Beriwal

Director

DIN No: 00310692

Place: Mumbai

UDIN: 22154074AJVETU6759

Date: 28 May, 2022

Sapna Tehanguriya

Company Secretary

PAN: BBIPT7756E

Uttam Kumar

Chief Financial Officer

PAN: ACXPK7432R

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Cash Flow from Operating Activities:		
Net profit before Tax	-34,50,663	20,83,826
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortisation	24,03,790	28,92,906
Interest income	(10,17,200)	(76,724)
Profit/(Loss) on Sale of Assets	3,44,629	
Sundry Balances Written Off	8,48,570	15,000
Interest expense	37,24,672	43,76,784
Operating Profit before Working Capital Changes	28,53,798	92,91,793
Adjustments for movement in Working Capital:		
<u>(Increase)/Decrease in Current Assets</u>		
(Increase)/Decrease in Trade receivable	(3,48,06,162)	(1,51,73,207)
(Increase)/Decrease in Current Loans	(2,32,44,184)	78,88,642
(Increase)/Decrease in Other Financial Asset	4,93,273	
(Increase)/Decrease in Other Current Assets	1,27,857	(1,81,269)
(Increase) / Decrease in Inventories	1,71,87,358	(2,74,067)
<u>Increase/(Decrease) in Trade Payables and other current liabilities</u>		
Increase /(Decrease) in Trade Payables	(5,62,69,194)	1,41,14,315
Increase /(Decrease) in Deferred Tax Liabilities	(28,20,042)	
Increase/ (Decrease) in Other Current Liabilities	(31,39,460)	(33,53,982)
Cash Generated from Operations	(9,96,16,757)	1,23,12,225
Direct Taxes paid (net of refund)	(17,40,252)	1,54,638
Net Cash from Operating Activities	(10,13,57,009)	1,24,66,862
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment		(80,11,354)
Sale of Property, Plant and Equipment	11,98,21,645	
Investments in Subsidiaries	-	
Interest Income	10,08,275	76,724
Net Cash used in Investing Activities	12,08,29,920	(79,34,630)
C. Cash Flow from Financing Activities:		
Repayment of Long term borrowings	(69,76,345)	(15,97,023)
Interest Paid	(37,24,672)	(43,76,784)
Increase in Loans & Advances	(1,45,958)	-
Proceeds from Short term borrowings		56,192
Repayment of Short term borrowings	(2,33,02,449)	-
Proceeds from Share Warrant	1,41,00,000	-
Net Cash used in Financing Activities	(2,00,49,424)	(59,17,615)
Net Increase/(Decrease) in Cash and Cash equivalents	(5,76,513)	(13,85,383)
Cash and Cash equivalents - Opening Balance	15,39,050	29,24,433
Net Change in Cash and Cash equivalents	9,62,538	15,39,050
Cash and Cash equivalents - Closing Balance	9,62,538	15,39,050
Components of Cash and Cash Equivalents		
Bank balance in current account	92,244	2,76,091
Cash on hand	8,70,294	12,62,959
Total	9,62,538	15,39,050

Note 1 : The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) statement of cash flows

As per our attached report of even date.

SGN & Co
Chartered Accountants
FRN 134565W

For & on behalf of the Board of Directors of
G G Engineering Limited

Nirmal Jain
Partner
Membership No 154074

Deepak Kumar Gupta
Whole Time Director
DIN No: 00057003

Kamal Beriwal
Director
DIN No: 00310692

Place: Mumbai
UDIN: 22154074AJVETU6759
Date: 28 May, 2022

Sapna Tehanguriya
Company Secretary
PAN: BBIPT7756E

Uttam Kumar
Chief Financial Officer
PAN: ACXPK7432R

G G Engineering Limited
Standalone Statement of Change in Equity for the year ended March 31st, 2022

A Equity Share Capital

(Amount in ₹)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in the equity share capital during the current year	Balance as at March 31, 2022
10,31,00,450	-	-	-	10,31,00,450

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in the equity share capital during the current year	Balance as at March 31, 2021
10,31,00,450	-	-	-	10,31,00,450

B. Other Equity

(Amount in ₹)

As at	Reserves and Surplus				Money received against share warrants	Total
	Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings		
As at April 1, 2021		1,56,00,000		3,10,27,848	12,502	4,66,40,350
Restated balance at the beginning of the reporting period						-
Profit for the year				-23,92,167		-23,92,167
Total Comprehensive Income for the year				1,68,726		1,68,726
Premium Against Share Warrant received during the year		1,41,00,000				1,41,00,000
Issue of Shares						-
As at March 31, 2022		2,97,00,000		2,88,04,407	12,502	5,85,16,909

As at April 1, 2020		1,56,00,000		2,90,94,519	12,502	4,47,07,021
Restated balance at the beginning of the reporting period				-	-	-
Profit for the year				16,81,602	-	16,81,602
Total Comprehensive Income for the year				2,51,727	-	2,51,727
Receipt on Issue of Shares				-	-	-
Converted to Bonus					-	-
As at March 31, 2021		1,56,00,000		3,10,27,848	12,502	4,66,40,350

1 Corporate information

GG Engineering Limited ("the Company") is a company limited by shares having its registered office at Office No. 203,2nd Floor, Shivam Chambers Coop Soc Ltd. S.V Road, Goregaon West, Near Sahara Apartment Mumbai - 400 104.

The financial statements were authorised by the Board of Directors for issuing accordance with a resolution passed on May 28, 2022.

2 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

2.1 Basis of preparation of Financial Statements

a) Statement of compliance with Ind AS:

These financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant schedule III), as are applicable.

b) Basis of measurement

These financial statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS :

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

Where required/appropriate, external valuers are involved.

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy established by Ind AS 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (*Level 3 inputs*).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Current non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

d) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

e) Rounding of amounts:

All amounts disclosed in the financial statements and notes are in Indian Rupees as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an "ongoing basis". Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Revenue recognition

Sale of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS/RoDTEP and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that the Company will comply with the conditions attached to them and the export benefits will be received.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises –

- i. its purchase price, including import duties and non –refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with the Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost, less impairment losses if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

On transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. In accordance with provisions of Ind AS 101 First time adoption of Indian Accounting Standards, the Company, for certain properties, has elected to adopt fair value and recognized as of April 1, 2016 as the deemed cost as of the transition date. The resulting adjustments have been directly recognized in retained earnings. The balance assets have been recomputed as per the requirements of Ind AS retrospectively as applicable.

Depreciation:

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of the Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule

Type of assets	Useful life in years
Buildings	
Factory Building	60 years
Plant and Machinery *	5 – 25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 - 10 years
Computers	3 years

*Based on internal technical evaluation and external advise received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs. 5000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

Measurement of Fair Value:

a) Fair value hierarchy:

The fair value of freehold and leasehold land has been determined by external, independent property valuers, having appropriate recognised professional qualifications and experience in the category of the property being valued. The fair value measurement has been categorised as level 2 fair value based on the inputs to the valuations technique used.

b) Valuation technique:

Value of the property has been arrived at using market approach using market corroborated inputs. Adjustments have been made for factors specific to the assets valued including location and condition of the assets, the extent to which input relate to items that are comparable to the assets and the volume or the level of activity in the markets within which the inputs are

observed.

2.5 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development'.

Intangible assets are derecognised (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised as income or expense in the statement of profit

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all Intangible assets were carried at in the Balance Sheet on basis of historical cost. The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Amortisation:

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets from the date when the asset are available for use, on pro-rata basis.

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

2.6 Financial Instruments

Financial Assets:

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at

- amortised cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Equity Instruments:

Investment in subsidiaries are measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value. If the equity investment is not held for trading, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

The Company does not have any equity investments designated at FVOCI.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

Financial Liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to the Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss, unless and to the extent capitalised as part of costs of an asset.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

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

Off setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognised amount and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.7 Impairment of Non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.8 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time considering project as a whole to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

2.9 Foreign currency transactions

The financial statements are presented in Indian Rupees (INR), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Under Previous GAAP, the Company had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period.

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.

- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.11 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits :

i) Defined contribution plan

The defined contribution plan is post employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

2.12 Government Grant:

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants :

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

2.13 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

- (a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

2.14 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses unabsorbed tax depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Uncertain Tax Issue:

The company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

In determining the approach that predicts the resolution of the uncertainty, the Company has considered most likely amount method & expected value method. Company adopted most likely amount method for resolution of the uncertainty of its tax treatment.

The company determined, based on its tax compliance that it is probable that its tax treatment will be accepted by taxation authorities.

2.15 Provisions and contingencies

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities

A contingent liability is:

- a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or
- a present obligation that arises from past events but is not recognised because :
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.16 Related party

A related party is a person or entity that is related to the reporting entity and it includes :

(a) A person or a close member of that person's family if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of the following conditions apply:

- (i) The entity and the reporting entity are members of the same Group.
- (ii) One entity is an associate or joint venture of the other entity.
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- (a) that person's children, spouse or domestic partner, brother, sister, father and mother;
- (b) children of that person's spouse or domestic partner; and

(c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per Ind AS 24.

2.17 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and cash on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by the Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.18 Dividend to equity share holders of the Company

The company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.19 Cash Flow Statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and
- iii. all other items for which the cash effects are investing or financing cash flows.

2.20 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e. the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

2.21 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.22 Exceptional Items

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the financial statements.

2.23 Standards notified but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property, Plant and equipment-The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets-The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 103 – Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Note 3 : Property, Plant and Equipment

(Amount in ₹)

Particulars	Freehold Land	Buildings	Plants and Equipment	Computers	Total
Cost/Deemed Cost					-
At 31st March, 2020	9,36,45,754	1,14,58,877	2,44,79,843	3,48,166	12,99,32,641
Additions			79,46,900	64,454	80,11,354
Deletions					-
At 31st March, 2021	9,36,45,754	1,14,58,877	3,24,26,743	4,12,620	13,79,43,994
Additions					-
Deletions	9,36,45,754	92,47,287	1,44,86,254	38,560	11,74,17,855
At 31st March, 2022	-	22,11,590	1,79,40,489	3,74,060	2,05,26,139
Depreciation and Impairment					
At 31st March, 2020	-	18,86,394	69,95,052	2,89,277	91,70,723
Depreciation charge for the year		1,83,456	26,38,691	70,759	28,92,906
Disposals					-
At 31st March, 2021	-	20,69,850	96,33,743	3,60,036	1,20,63,629
Depreciation charge for the year		1,41,740	22,48,026	14,024	24,03,790
Disposals					-
At 31st March, 2022	-	22,11,590	1,18,81,769	3,74,060	1,44,67,419
Net Book Value					
At 31 March 2022	-	-	60,58,720	-	60,58,720
At 31 March 2021	9,36,45,754	93,89,027	2,27,93,000	52,584	12,58,80,365

Note: All the ROC charges against the assets of the company have been satisfied

Note 4 : Non Current Investments

(Amount in ₹)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Investments in Equity Instruments				
Unquoted				
Subsidiaries (at cost or deemed cost)				
Shashi Beriwal & Pvt Ltd Company, equity shares of Rs. 10 each fully paid up	5,60,527	5,32,50,065	5,60,527	5,32,50,065
Others				
The Saraswat Co-operative Bank Ltd	2,500	25,000	2,500	25,000
Total	5,63,027	5,32,75,065	5,63,027	5,32,75,065

The Company had measured the Investment in share of share of Subsidiary Co. Shashi Beriwal & Pvt Ltd Co. at cost.

Note 5 : Loans (Non Current Assets)

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Repayable on Demand		
Kamlesh Kumar Rathi	20,00,000	18,86,792
Kamal Ispat Pvt Ltd	32,750	
Total	20,32,750	18,86,792

Note 6 : Other Financial Assets

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits	5,18,176	10,11,449
Term deposits with banks with maturity period more than 12 months	4,50,000	4,50,000
Total	9,68,176	14,61,449

Note 7 : Other Non current Assets

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with Government Authorities	17,90,739	24,11,330
Deposits for IT Appeal for AY 17-18	15,04,550	15,04,550
Total	32,95,289	39,15,880

Note 8 : Inventories

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	4,91,230	62,11,744
Work-in-Progress	-	-
Finished Goods	41,70,525	1,56,37,369
Total	46,61,755	2,18,49,113

Note 9 : Trade Receivables

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured and considered good		
From Related Parties	-	-
From Others	8,95,44,967	5,47,38,805
Doubtful		
From Related Parties	-	-
From Others	3,08,300	3,08,300
Less: Allowance for doubtful debts		
	-	-
Total	8,98,53,267	5,50,47,105

Ageing Schedule for Trade Receivables- Current for F.Y 2021-22

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-Considered Good	8,21,15,073	58,40,492	3,03,896	9,52,162	3,33,344	8,95,44,967
ii) Undisputed Trade Receivables- which have significant increase in credit risk						-
iii) Undisputed Trade Receivables- credit impaired						-
iv) Disputed Trade Receivables-Considered Good						-
v) Disputed Trade Receivables- which have significant increase in credit risk					3,08,300	3,08,300
vi) Disputed Trade Receivables- credit impaired						-
Total	8,21,15,073	58,40,492	3,03,896	9,52,162	6,41,644	8,98,53,267

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-Considered Good	3,95,76,441	1,00,04,762	33,35,009	4,81,449	13,41,144	5,47,38,805
ii) Undisputed Trade Receivables- which have significant increase in credit risk						-
iii) Undisputed Trade Receivables- credit impaired						-
iv) Disputed Trade Receivables-Considered Good						-
v) Disputed Trade Receivables- which have significant increase in credit risk					3,08,300	3,08,300
vi) Disputed Trade Receivables- credit impaired						-
Total	3,95,76,441	1,00,04,762	33,35,009	4,81,449	16,49,444	5,50,47,105

Note 10 : Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Cash and Bank Balances		
Bank balance in current account	92,244	2,76,091
Cash on hand	8,70,294	12,62,959
Total	9,62,538	15,39,050

Note 11 : Loans and Advances (Current Asset)

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loans to Employees	-	5,08,500
Loans to Subsidiary- Shashi Beriwal & CO. Pvt. Ltd	1,54,73,500	20,08,500
Loans to others	1,02,57,808	-
Advance to Vendors	6,99,114	6,69,238
Total	2,64,30,422	31,86,238

Ageing Analysis of Vendors

(Amount in ₹)

Particulars	Less than 1 year	1 year to 2 year	More Than 2 year
Advance to Vendors	6,99,114		
Total	6,99,114	-	-

Note 12 : Other Current Assets

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due	1,04,339	89,739
Prepaid Insurance	-	1,42,458
Total	1,04,339	2,32,196

Note 13 : Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs. 2 each	5,25,00,000	10,50,00,000	-	-
Equity Shares of Rs. 10 each	-	-	1,05,00,000	10,50,00,000
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs. 2 each	5,15,50,225	10,31,00,450	-	-
Equity Shares of Rs. 10 each	-	-	1,03,10,045	10,31,00,450
Total	5,15,50,225	10,31,00,450	1,03,10,045	10,31,00,450

a) Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Share:				
Balance as at the beginning of the year	1,03,10,045	10,31,00,450	1,03,10,045	10,31,00,450
Add: Issued during the year for Cash	-	-	-	-
Add: Issued during the year as Bonus	-	-	-	-
Add: Adjustment for sub-division of equity share	4,12,40,180			
Balance as at the end of the year	5,15,50,225	10,31,00,450	1,03,10,045	10,31,00,450

b) Rights, preferences and restrictions attached to shares

During the year the Company has split its share in the ratio of 5:1, hence reducing the face value per share from Rs. 10 to Rs. 2 per share. The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Vinod Beriwal	8,66,665	1.68%	16,50,000	16.00%
Sangeeta Beriwal	-	0.00%	16,08,333	15.60%
Kamal Beriwal	8,66,665	1.68%	15,00,000	14.55%
Rashi Gupta	-	0.00%	7,75,000	7.52%
TCG Funds Fund 1	-	0.00%	5,96,820	5.79%
Ramesh Sawalram Saraogi	-	0.00%	15,00,000	14.55%
Hardik Shah	-	0.00%	1,66,101	1.61%
Manisha Shah	-	0.00%	-	0.00%
Stepping Stone Construction Pvt Ltd	41,90,763	8.13%	-	0.00%
Total	59,24,093	11.49%	77,96,254	76%

d) Disclosure of Shareholding of Promoter

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Name of Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Vinod Beriwal	8,66,665	1.68%	16,50,000	16.00%	-14.32%
Kamal Beriwal	8,66,665	1.68%	15,00,000	14.55%	-12.87%
Sangeeta Beriwal	-	-	16,08,333	15.60%	-15.60%
Rashi Gupta	-	-	7,75,000	7.52%	-7.52%
Shashi Devi	830	0.00%	166	0.00%	0.00%
Ashok Beriwal	0	-	166	0.00%	0.00%
Total	17,34,160	3.36%	55,33,665	53.67%	50.31%

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Name of Promoter	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Vinod Beriwal	16,50,000	16.00%	16,50,000	16.00%	0.00%
Kamal Beriwal	15,00,000	14.55%	16,50,000	16.00%	-1.45%
Sangeeta Beriwal	16,08,333	15.60%	16,08,333	15.60%	0.00%
Rashi Gupta	7,75,000	7.52%	16,50,000	16.00%	-8.49%
Shashi Devi	166	0.00%	166	0.00%	0.00%
Ashok Beriwal	166	0.00%	166	0.00%	0.00%
		0.00%			
Total	55,33,665	53.67%	65,58,665	63.61%	9.94%

Note: During the year the promoters have reduced their stake in the company by selling the shares in the Open Market

G G Engineering Limited

Notes forming part of Standalone Financial Statements for the year ended March 31, 2022

Note 14 : Other Equity

(Amount in ₹)

Other Equity	Securities Premium Reserve	Retained Earnings	Items of Other Comprehensive Income	Money received against share warrant	Total
Balance as at 1st April, 2021	1,56,00,000	3,13,28,398	-3,00,550	12,502	4,66,27,848
Profit/(Loss) for the year	-	-23,92,167	1,68,726		-22,23,441
Premium Against Share Warrant received during the year	1,41,00,000				
Shares issued during the year	-	-			-
Bonus issued during the year	-	-			-
Balance as at 1st April, 2022	2,97,00,000	2,89,36,231	-1,31,824	12,502	5,85,16,909

Balance as at 1st April, 2020	1,56,00,000	2,96,46,796	-5,52,277	12,502	4,47,07,021
Profit/(Loss) for the year	-	16,81,602	2,51,727		19,33,329
Shares issued during the year	-	-			-
Bonus issued during the year	-	-			-
Balance as at 1st April, 2021	1,56,00,000	3,13,28,398	-3,00,550	12,502	4,66,40,350

Note:

The company has issued 20 Lacs convertible warrant at issue price of Rs. 22 per warrant on October 13,2018. Subsequently to allotment of shares against share warrant, the price was revised to Rs. 37 Balance money receivable against revised price is Rs. 1,43,53,404. During the F.Y 2018-19, Company has issued 19,97,727 equity shares at issue price of Rs. 22 per share. The subscription money paid on warrant shall be forfeited if the warrants are not exercised within a period of 18 months from the date of allotment. In the Current year the company has received Rs.1,41,00,000 against the Securities Premium of the Share Warrants

Note 15 : Borrowings

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-current	Current	Non-current	Current
Bonds				
Term Loans:				
Secured	-	10,42,491	69,76,345	3,76,04,735
Unsecured	-	1,32,59,795	-	-
Total	-	1,43,02,286	69,76,345	3,76,04,735

Particulars	Security	Amount in Rupees			
		As at March 31, 2022		As at March 31, 2021	
		Non-current	Current	Non-current	Current
Term Loans: Secured					
Rupee Term loans from Banks	Secured against personal guarantee of Directors and hypothecation of imported Plant and Machinery, at the rate of interest: PLR+3.25%p.a.	-		59,33,855	23,00,401
Rupees Loan for Motor Car	Secured against Car, repayable within 5 years as per repayment schedule at the rate of interest of 8.49%.	-	46,675	46,674	1,11,471
Rupees Loan for Truck	Secured against Truck, repayable within 5 years as per repayment schedule at the rate of interest of 10.5%.	-	9,95,816	9,95,816	3,88,825
Cash Credit Facility	Secured against personal guarantee of Directors and Residential Flat of Directors at the rate of interest of 13.5% to 15% p.a.	-	-	-	3,48,04,039
Total		-	10,42,491	69,76,345	3,76,04,735

Unsecured Loans

(Amount in ₹)

Particulars	As on 31st March, 2022	As on 31st March, 2021
Loan from Directors	1,32,59,795	-
Total	1,32,59,795	-

Details of Loans from :

(Amount in ₹)

Type of Borrower	Amount of Loan outstanding	% of Total Borrowings
Promoter	-	0.00%
Director	1,32,59,795	92.71%
Related Parties	-	0.00%
Total	1,32,59,795	92.71%

Note 16 : Deferred Tax Liabilities (Net) (Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
Depreciation	2,19,298	30,39,341
Other timing difference	73,164	73,164
Deferred tax assets		
Other timing difference	-	-
Total	2,92,462	31,12,505

Note 17 : Trade Payables (Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small and Medium Enterprises	-	-
Due to Related Parties	-	-
Due to Others	10,24,389	5,72,93,583
Total	10,24,389	5,72,93,583

The disclosures pursuant to the said Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') are as follows:

Principal Amount remaining unpaid to any supplier as at the end of the year		-
Amount of interest due remaining unpaid to any supplier as at the end of the year		-
Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		-
Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid)		-
Amount of interest accrued and remaining unpaid at the end of the year		-
Amount of further interest remaining due and payable even in the succeeding year		-
Total	-	-

Trade Payables ageing Schedule for the F.Y 2021-22

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
i) MSME					0
ii) Others	10,24,389				10,24,389
iii) Disputed Dues- MSME					0
iv) Disputed Dues- Others					0
Total	10,24,389	-	-	-	10,24,389

Trade Payables ageing Schedule for the F.Y 2020-21

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
i) MSME					0
ii) Others	2,48,16,107	2,79,15,020	45,62,455		5,72,93,582
iii) Disputed Dues- MSME					0
iv) Disputed Dues- Others					0
Total	2,48,16,107	2,79,15,020	45,62,455	-	5,72,93,582

Note 18 : Other Current Liabilities

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Revenue received in advance:		
Advance received from customers	68,38,029	1,20,70,160
(b) Other Payables		
Statutory Due Payable	34,16,796	8,10,942
Audit Fees Payable	70,000	-
Provision for expenses	81,000	6,64,183
Total	1,04,05,825	1,35,45,285

Ageing Analysis of Advance to Customers for F.Y 2021-22 (Amount in ₹)

Particulars	Less than 1 year	1 year to 2 year	More Than 2year	Total
Undisputed	64,88,029	1,00,000		65,88,029
Disputed	-	2,50,000		2,50,000
Total	64,88,029	3,50,000	-	68,38,029

Ageing Analysis of Advance to Customers for F.Y 2020-21 (Amount in ₹)

Particulars	Less than 1 year	1 year to 2 year	More Than 2year	Total
Undisputed	1,13,50,160	3,00,000	4,20,000	1,20,70,160
Disputed				-
Total	1,13,50,160	3,00,000	4,20,000	1,20,70,160

Note 19 : Revenue from Operations

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Sale of Products		
a. Manufactured Goods	-	7,17,88,416
b. Trading Goods	15,14,38,717	20,57,81,030
Other Operating Revenues		
Commission on Sale of Iron and Steel Metals	-	-
Total	15,14,38,717	27,75,69,446

Note 20 : Other Income

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest Income from:		
Bank Deposits		67,004
Other Interest Income	10,08,275	9,720
Interest on Income Tax Refund	8,925	
Profit on Sale of Land	11,67,180	
Sundry Credit Balance Written off	11,70,000	
Miscellaneous Income	-	1,76,888
Total	33,54,380	2,53,612

Note 21 : Cost of Materials Consumed

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials Consumed		
Raw Materials at the beginning of the year		1,84,61,346
Add: Purchases		4,62,10,727
Less: Raw materials at the end of the year		62,11,744
Total Cost of Raw Materials consumed	-	5,84,60,329
Total Cost of Materials Consumed	-	5,84,60,329

Note 22 : Changes in Inventories of Finished Goods,
Work-in-Process and Stock-in-Trade

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Inventories		
Finished Goods		31,13,700
Work-in-Process		-
	-	31,13,700
Closing Inventories		
Finished Goods		1,56,37,369
Work-in-Process		-
	-	1,56,37,369
Total changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	-	-1,25,23,669

Note 23 : Employee Benefit Expenses

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Salaries, Wages and Bonus	60,000	65,74,470
Contribution to Employee Provident Funds	-	1,07,967
Staff welfare expenses	19,920	1,24,011
Director's Remuneration	13,00,000	24,91,674
Total	13,79,920	92,98,122

Note 24 : Finance Costs

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest and finance charges on financial liabilities carried at amortised cost		
Interest on Bank Borrowings	-	43,43,784
Other Borrowing Cost	-	33,000
Total	-	43,76,784

Note 25 : Depreciation and Amortization Expenses

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Depreciation on Plant, Property and Equipment	24,03,790	28,92,906
Total	24,03,790	28,92,906

Note 26 : Other Expenses

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Labour Charges	-	65,39,620
Auditors Remuneration		
-Statutory Audit Fees	80,000	80,000
-Tax Audit Fees	50,000	50,000
Advertisements	12,760	1,43,238
Conveyance & Travelling	17,120	4,37,841
Insurance Charges	-	2,42,860
Rate and Taxes	465	6,78,854
Power & Fuel	-	8,00,116
Professional Charges	-	12,15,313
Rent Expense	1,80,000	6,94,384
Freight Charges / Transport (Net of Income)	64,512	3,95,466
<u>Repairs and Maintenance</u>		
-Plant and Machinery	-	42,580
-Others	-	1,77,834
Telephone & Internet Charges	-	1,56,581
Printing, Stationery & Courier Expenses	8,510	54,049
Misceallneous Expenses	38,286	5,37,598
Sundry Balances Written off	8,48,570	15,000
Bad Debts	13,40,806	-
Loss on Sale of Assets	8,22,551	-
Software and Subscription Expenses	-	3,00,000
Total	34,63,580	1,25,61,334

Note 27: Profit & Loss from Discontinued Operations

(Amount in ₹)

Sr. No.	Particulars	As at 31st March, 2022
I	Revenue from Operations	7,88,12,749
II	Other Income	4,05,692
III	Total Income (I+II)	7,92,18,441
IV	Expenses	
	Cost of materials consumed	4,67,36,189
	Purchases of Stock -in-Trade	
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	1,14,66,844
	Employee benefit expenses	59,81,032
	Finance costs	37,24,672
	Depreciation and amortization expenses	
	Other Expenses	1,16,79,856
	Total Expenses (IV)	7,95,88,593
V	Profit/(Loss) before exceptional items and tax (I-IV)	-3,70,152
VI	Exceptional Items	
VII	Profit/(Loss) before tax (V-VI)	-3,70,152
VIII	Tax Expense:	
	(1) Current Tax	
	(2) Deferred Tax	
	Short/(Excess) Provison of Tax	
IX	Profit/(Loss) for the period from Discontinuing operations (VII-VIII)	-3,70,152

During the Financial Year in Quarter 4 the company have discontinued its operations at the Gujrat Factory which pertained to Genset Manufacturing.

Note 28: Related Party Transaction

Relationship	Name of KMP
Managing Director (upto 31st March, 2022)	Vinod Beriwal
Director (upto 31st March, 2022)	Sangeeta Beriwal
Wholetime Director	Kamal Beriwal
Wholetime Director (from 31st March, 2022)	Deepak Kumar Gupta
Wholetime Director (from 31st March, 2022)	Atul
Director	Rashi Beriwal
Chief Financial Officer	Uttam Kumar
Company Secretary	Sapna Tehanguriya
Company Secretary	Apurva Singh

(Amount in ₹)

Transactions	As at 31st March, 2022	As at 31st March, 2021
Directors Remuneration	-	-
Vinod Beriwal	12,00,000	12,91,674
Kamal Beriwal	-	12,00,000
Loan from Director- Vinod Beriwal		
Amount Outstanding at the beginning of the year	-	-
Amount received during the year	1,13,95,000	-
Amount repaid during the year	4,71,266	-
Amount Outstanding at the end of the year	1,09,23,734	-
Loan from Director- Sangeeta Beriwal		
Amount Outstanding at the beginning of the year	-	-
Amount received during the year	23,50,000	-
Amount repaid during the year	13,939	-
Amount Outstanding at the end of the year	23,36,061	-
Investment in Shashi Beriwal & Company Private Limited		
<i>Equity Shares Shashi Beriwal and Company Private Limited</i>	-	-
Money paid against Equity Shares Shashi Beriwal and Company Private Limited	-	-
Amount receivable from Sashi Beriwal and Company Pvt Ltd at the beginning of the year	20,08,500	-
Advance to Shashi Beriwal and Company Private Limited	4,08,15,000	2,08,95,000
Money received from Shashi Beriwal and Company Private Limited	2,73,50,000	2,80,50,000
Balance Receivable at the end		
Shashi Beriwal and Company Private Limited	1,54,73,500	20,08,500
Salary to Chief Financial Officer	5,000	5,000
Salary to Company Secretary	48,000	42,000

Note 29: Earnings per Shares	As at March 31, 2022	As at March 31, 2021 (Restated)
Basic EPS		
Profit for the year	(23,92,167)	16,81,602
Weighted number of shares outstanding	5,15,50,225	5,15,50,225
Basic and Diluted EPS (Rs.)	(0.0464)	0.0326
Diluted EPS		
Profit for the year	(22,67,310)	18,67,880
Weighted number of shares outstanding	5,15,50,225	5,15,50,225
Basic and Diluted EPS (Rs.)	(0.0440)	0.0362
EPS from Discontinued Operations		
Profit/(Loss) from discontinued operations	(3,70,152)	-
Weighted number of shares outstanding	5,15,50,225	-
EPS from Discontinued Operations	(0.0072)	-

Note 30: Contingent Liability

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax Appeals - CIT	75,22,748	75,22,748

The company has received an demand order of ₹ 75,22,748 u/s 156 of the Incoma Tax Act 1961 for AY 17-18.

The company has filed for appeal against this demand order and the management is of the opinion that the outcome of the appeal would be in favour of the company and thus it has not created provision in the books of accounts of the company.

Note 31: Balances of Trade Receivables and Trade Payables as at the balance sheet are subject to confirmation and reconciliation.

Note 32 : Previous year figures have been re-grouped and reclassified wherever necessary to conform to this year's classification. Trade Receivables, advances and Trade Payables are subject to confirmations.

As per our attached report of even date.

SGN & Co

Chartered Accountants

FRN 134565W

Nirmal Jain

Partner

Membership No 154074

Mumbai

UDIN: 22154074AJVETU6759

Date: 28 May, 2022

For & on behalf of the Board of Directors of
G G Engineering Limited

Deepak Kumar Gupta

Whole Time Director

DIN No: 00057003

Kamal Beriwal

Director

DIN No: 00310692

Sapna Tehanguriya

Company Secretary

PAN: BBIPT7756E

Uttam Kumar

Chief Financial Officer

PAN: ACXPK7432R

G G Engineering Limited

Notes forming part of Standalone Financial Statements for the year ended March 31, 2022

Note 33 : Additional Regulatory Information

Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year
Current ratio (in times)	Total Current Assets	Total Current Liabilities	4.74	0.75
Debt- Equity Ratio (in times)	Debt consist of Borrowings	Total Equity	0.09	0.30
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.0003	1.50
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	-2%	2%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.18	5.85
Trade payables turnover ratio (in times)	Purchases	Average trade payables	1.60	3.99
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	3.53	2.69
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	2.39	-10.44
Net profit ratio (in %)	Profit for the year	Revenue from operations	-0.01	0.007
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.002	0.042
Return on Investment (in %)	Income generated from invested funds	Average invested funds	-0.0140	0.0125

Sr. No.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
(1)	Non-Current Assets			
	(a) Property, Plant and Equipment	3	5,03,13,257	17,76,78,666
	(b) Goodwill		2,32,14,722	2,32,14,722
	c) Financial Assets			
	(i) Investments	4	36,21,880	36,21,880
	(ii) Loans	5	20,32,750	18,86,792
	(ii) Other Financial Asset	6	17,53,257	21,49,319
	(d) Deferred Tax Assets (Net)	16	12,27,530	-
	(e) Other Non-current Assets	7	2,05,94,556	2,60,41,341
(2)	Current Assets			
	(a) Inventories	8	1,82,35,239	4,24,38,350
	(b) Financial Assets			
	(i) Trade Receivables	9	13,83,47,526	6,05,78,248
	(ii) Cash and Cash Equivalents	10	21,11,873	23,37,247
	(iii) Loans	11	1,40,04,563	34,86,062
	(c) Other Current Assets	12	2,39,44,201	2,40,44,415
	TOTAL ASSETS		29,94,01,354	36,74,77,043
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Share Capital	13	10,31,00,450	10,31,00,450
	(b) Other Equity	14	5,35,41,540	3,83,73,097
	(c) Non Controlling Interest	14	2,37,17,532	2,06,01,991
	LIABILITIES			
(1)	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	-	69,76,345
	(b) Deferred Tax Liabilities (Net)	16	-	18,36,274
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	8,88,18,487	9,87,96,749
	(ii) Trade Payables	17		
	(A) Total Outstanding Dues of Micro and Small Enterprises		-	-
	(B) Total Outstanding Dues of Creditors other than Micro and Small Enterprises		1,07,25,987	7,78,41,333
	(b) Short term Provisions	18	11,39,256	-
	(c) Other current liabilities	19	1,83,58,102	1,99,50,803
	TOTAL EQUITY AND LIABILITIES		29,94,01,354	36,74,77,043

Summary of significant accounting policies

2

The accompanying notes from 1 to 33 are an integral part of these consolidated IND AS Financial Statements

As per our attached report of even date.

SGN & Co

Chartered Accountants

FRN 134565W

For & on behalf of the Board of Directors of

G G Engineering Limited

Nirmal Jain

Partner

Membership No 154074

Deepak Kumar Gupta

Whole Time Director

DIN No: 00057003

Kamal Beriwal

Director

DIN No: 00310692

Place: Mumbai

UDIN: 22154074AJVEWH5996

Date: May 28, 2022

Sapna Tehanguriya

Company Secretary

PAN: BBIPT7756E

Uttam Kumar

Chief Financial Officer

PAN: ACXPK7432R

G G Engineering Limited
Consolidated Statement of Profit and Loss for the year ended March 31st, 2022

(Amount in ₹)

Sr. No.	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I	Revenue from Operations	20	22,55,33,462	37,41,70,495
II	Other Income	21	41,98,330	9,64,186
III	Total Income (I+II)		22,97,31,792	37,51,34,680
IV	Expenses			
	Cost of materials consumed	22	3,93,23,994	13,04,28,362
	Purchases of Stock -in-Trade		15,06,26,318	20,06,73,425
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	23	2,78,267	-1,40,31,850
	Employee benefit expenses	24	34,03,197	1,25,56,019
	Finance costs	25	36,47,853	78,53,979
	Depreciation and amortization expenses	26	1,14,16,654	1,19,67,965
	Other Expenses	27	1,68,13,100	3,35,94,538
	Total Expenses (IV)		22,55,09,383	38,30,42,438
V	Profit/(Loss) before exceptional items and tax (I-IV)		42,22,409	-79,07,758
VI	Exceptional Items		-	-
VII	Profit/(Loss) before tax (V-VI)		42,22,409	-79,07,758
VIII	Tax Expense:			
	(1) Current Tax		11,39,256	2,34,381
	(2) Deferred Tax		-30,63,803	60,122
	(Short)/Excess Provison of Tax		-17,61,546	
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		43,85,410	-82,02,260
X	Profit/(Loss) from discontinued operations	28	-3,70,152	
XI	Tax expense of discontinued operations			
XII	Profit/(Loss) from Discontinued Operations (after tax) (X-XI)		-3,70,152	-
XIII	Profit/(Loss) for the period (IX+XII)		40,15,258	-82,02,260
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss		1,68,726	2,51,727
	(ii) Income tax relating to items that will be reclassified to profit or loss		-43,869	-65,449
	Total Comprehensive Income for the period (XIII+XIV)		41,40,115	-80,15,982
	Net profit / (loss) is attributable to:			
	Owners		8,99,717	-33,96,326
	Non-controlling interests		31,15,541	-48,05,907
XIV	Earnings per Equity Share	30		
	(1) Basic		0.09	-0.16
	(2) Diluted		0.09	-0.16

Summary of significant accounting policies

2

The accompanying notes from 1 to 31 are an integral part of these consolidated IND AS Financial Statements.

As per our attached report of even date.

SGN & Co
Chartered Accountants
FRN 134565W

For & on behalf of the Board of Directors of
G G Engineering Limited

Nirmal Jain
Partner
Membership No 154074

Deepak Kumar Gupta
Wholtime Director
DIN No: 00057003

Kamal Beriwal
Director
DIN No: 00310692

Place: Mumbai
UDIN: 22154074AJVEWH5996
Date: May 28, 2022

Sapna Tehanguriya
Company Secretary
PAN: BBIPT7756E

Uttam Kumar
Chief Financial Officer
PAN: ACXPK7432R

G G Engineering Limited
Consolidated Statement of Cash Flow Statement for the year ended March 31st, 2022

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Cash Flow from Operating Activities:		
Net profit before Tax	38,52,257	-7907758
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortisation	1,14,16,654	11967965
Interest income	10,37,150	-80324
Profit/(Loss) on sale of Assets	3,44,629	-
Interest expense	73,72,525	7853979
Sundry Balances W/off	8,48,570	
Operating Profit before Working Capital Changes	2,48,71,785	1,18,33,863
Adjustments for movement in Working Capital:		
<u>(Increase)/Decrease in Trade receivable & Other Current Assets</u>		
(Increase)/Decrease in Trade receivable	-7,77,69,278	-2,07,04,350
(Increase)/Decrease in Current Loans	-1,05,18,501	59,53,096
(Increase)/Decrease in Other Financial Asset	3,96,062	-
(Increase)/Decrease in Other Current Assets	1,00,214	-1,65,822
(Increase) / Decrease in Inventories	2,42,03,111	-68,70,123
<u>Increase/(Decrease) in Trade Payables and other current liabilities</u>		
Increase /(Decrease) in Trade Payables	-	2,03,79,471
Increase/ (Decrease) in Other Current Liabilities	-15,92,701	-78,11,264
Cash Generated from Operations	-4,03,09,308	26,14,870
Direct Taxes paid (net of refund)	2,65,901	1,38,174
Net Cash from Operating Activities	(A) -4,00,43,407	27,53,045
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	-14,69,100	(2,18,89,562)
Sale of Fixed Assets	11,98,21,645	-
Interest Income	-10,46,075	80,324
Net Cash used in Investing Activities	(B) 11,73,06,470	(2,18,09,238)
C. Cash Flow from Financing Activities:		
Repayment of Long term borrowings	-69,76,345	-15,97,023
Increase in Loans & Advances	-1,45,958	
Interest Paid	-73,72,525	(78,53,979)
Repayment of Short term borrowings	-99,78,263	
Proceeds from Short term borrowings	-	2,75,08,028
Proceeds from Share Warrant	1,41,00,000	-
Net Cash used in Financing Activities	(C) -1,03,73,091	1,80,57,027
Net Increase/(Decrease) in Cash and Cash equivalents	6,68,89,971	(9,99,167)
Cash and Cash equivalents - Opening Balance	23,37,247	33,36,414
Cash and Cash equivalents - Closing Balance	21,11,873	23,37,247
Components of Cash and Cash Equivalents		
Bank balance in current account	9,25,483	4,11,120
Cheque Issue but not credited	30,000	-
Cash on hand	11,56,390	19,26,127
Total	21,11,873	23,37,247

Note 1 : The consolidated cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) statement of cash flows

As per our attached report of even date.

SGN & Co
Chartered Accountants
FRN 134565W

For & on behalf of the Board of Directors of
G G Engineering Limited

Nirmal Jain
Partner
Membership No 154074

Deepak Kumar Gupta
Wholtime Director
DIN No: 00057003

Kamal Beriwal
Director
DIN No: 00310692

Place: Mumbai
UDIN: 22154074AJVEWH5996
Date: May 28, 2022

Sapna Tehanguriya
Company Secretary
PAN: BBIPT7756E

Uttam Kumar
Chief Financial Officer
PAN: ACXPK7432R

A Equity Share Capital

(Amount in ₹)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in the equity share capital during the current year	Balance as at March 31, 2022
10,31,00,450	-	-	-	10,31,00,450

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in the equity share capital during the current year	Balance as at March 31, 2021
10,31,00,450	-	-	-	10,31,00,450

B. Other Equity

(Amount in ₹)

As at	Reserves and Surplus				Money received against share warrants	Total for the Group Company	Attributable to NCI	Total	
	Capital Reserve	Securities Reserve	Premium	Other Reserves (specify nature)					Consolidated Surplus
As at March 31, 2021			1,56,00,000		2,27,60,595	12,502	3,83,73,097	2,06,01,991	5,89,75,088
Restated balance at the beginning of the reporting period							-		
Profit for the year					8,99,717		8,99,717	31,15,541	40,15,258
Money received against warrants during the year			1,41,00,000				1,41,00,000		1,41,00,000
Total Comprehensive Income for the year					1,68,726		1,68,726		
Issue of Shares							-		
As at March 31, 2022	-		2,97,00,000	-	2,38,29,038	12,502	5,35,41,540	2,37,17,532	7,70,90,346
As at March 31, 2020			1,56,00,000		2,59,05,194	12,502	4,15,17,696	2,54,07,898	6,69,25,594
Restated balance at the beginning of the reporting period									
Profit for the year					-33,96,326		-33,96,326	-48,05,907	-82,02,233
Total Comprehensive Income for the year					2,51,727		2,51,727		
Issue of Shares							-		-
As at March 31, 2021	0		1,56,00,000	0	2,27,60,595	12,502	3,83,73,097	2,06,01,991	5,89,75,088

1 Corporate information

GG Engineering Limited ("the Company") is a company limited by shares having its registered office at Office No. 203,2nd Floor, Shivam Chambers Coop Soc Ltd. S.V Road, Goregaon West, Near Sahara Apartment Mumbai - 400 104. From Ghaziabad, Uttar Pradesh, the company is trading into Iron and Steel Metals.

The consolidated financial Statements were authorised by the Board of Directors for issuing accordance with a resolution passed on May 28, 2022.

2 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its consolidated financial Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial Statements.

2.1 Basis of preparation of consolidated financial Statements

a) Statement of compliance with Ind AS:

These consolidated financial Statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant schedule III), as are applicable.

b) Basis of measurement

These consolidated financial Statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS :

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortised cost are required to be disclosed in the said consolidated financial Statements.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

Where required/appropriate, external valuers are involved.

All financial assets and liabilities for which fair value is measured or disclosed in the consolidated financial Statements are categorised within the fair value hierarchy established by Ind AS 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (*Level 3 inputs*).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Current non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

d) Functional and presentation currency

Items included in the consolidated financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The consolidated financial Statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

e) Rounding of amounts:

All amounts disclosed in the consolidated financial Statements and notes are in Indian Rupees as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of consolidated financial Statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the consolidated financial Statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an "ongoing basis". Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of consolidated financial Statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Revenue recognition

Sale of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS/RoDTEP and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that the Company will comply with the conditions attached to them and the export benefits will be received.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises –

- i. its purchase price, including import duties and non –refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with the Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost, less impairment losses if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

On transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. In accordance with provisions of Ind AS 101 First time adoption of Indian Accounting Standards, the Company, for certain properties, has elected to adopt fair value and recognized as of April 1, 2016 as the deemed cost as of the transition date. The resulting adjustments have been directly recognized in retained earnings. The balance assets have been recomputed as per the requirements of Ind AS retrospectively as applicable.

Depreciation:

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of the Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of assets	Useful life in years
Buildings	
Factory Building	60 years
Plant and Machinery *	5 – 25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 - 10 years
Computers	3 years

*Based on internal technical evaluation and external advise received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs. 5000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

Measurement of Fair Value:

a) Fair value hierarchy:

The fair value of freehold and leasehold land has been determined by external, independent property valuers, having appropriate recognised professional qualifications and experience in the category of the property being valued. The fair value measurement has been categorised as level 2 fair value based on the inputs to the valuations technique used.

b) Valuation technique:

Value of the property has been arrived at using market approach using market corroborated inputs. Adjustments have been made for factors specific to the assets valued including location and condition of the assets, the extent to which input relate to items that are comparable to the assets and the volume or the level of activity in the markets within which the inputs are observed.

2.5 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as "intangible assets under development".

Intangible assets are derecognised (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised as income or expense in the statement of profit and loss.

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all Intangible assets were carried at in the Balance Sheet on basis of historical cost. The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Amortisation:

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets from the date when the asset are available for use, on pro-rata basis. Estimated useful lives by major class of finite-life intangible assets are as follows:

Type of assets	Useful life in years
Computer software	5 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

2.6 Financial Instruments

Financial Assets:

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at

- amortised cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Equity Instruments:

Investment in subsidiaries are measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

The Company does not have any equity investments designated at FVOCI.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

Financial Liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to the Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss, unless and to the extent capitalised as part of costs of an asset.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

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

Off setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognised amount and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.7 Impairment of Non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.8 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time considering project as a whole to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

2.9 Foreign currency transactions

The consolidated financial Statements are presented in Indian Rupees (INR), the functional currency of the Company. Items included in the consolidated financial Statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Under Previous GAAP, the Company had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the consolidated financial Statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period.

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.

- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.11 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits :

i) Defined contribution plan

The defined contribution plan is post employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

2.12 Government Grant:

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants :

- a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.
- b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

2.13 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

- (a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

2.14 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred TAX LIABILITY arises from the initial recognition of goodwill or an ASSET or LIABILITY IN a transaction that is not a business combination and, at the time of the transaction, affects neither the Accounting profit nor taxable profit or Loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses unabsorbed tax depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Uncertain Tax Issue:

The company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

In determining the approach that predicts the resolution of the uncertainty, the Company has considered most likely amount method & expected value method. Company adopted most likely amount method for resolution of the uncertainty of its tax treatment.

The company determined, based on its tax compliance that it is probable that its tax treatment will be accepted by taxation authorities.

2.15 Provisions and contingencies

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities

A contingent liability is:

- a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or
- a present obligation that arises from past events but is not recognised because :
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.16 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

The Company is engaged in the business of Electric Parts Manufacturing, Iron and Steel Trading and Manufacturing of Packaged food juice and cold drinks which is considered as the only reportable business segment. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates the Company's performance and allocates resources based on analysis of various performance indicators by geographical areas only.

2.17 Related party

A related party is a person or entity that is related to the reporting entity and it includes :

(a) A person or a close member of that person's family if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of the following conditions apply:

- (i) The entity and the reporting entity are members of the same Group.
- (ii) One entity is an associate or joint venture of the other entity.
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- (a) that person's children, spouse or domestic partner, brother, sister, father and mother;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the consolidated financial Statements are in accordance with the above definition as per Ind AS 24.

2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and cash on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by the Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.19 Dividend to equity share holders of the Company

The company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.20 Cash Flow Statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and
- iii. all other items for which the cash effects are investing or financing cash flows.

2.21 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e. the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

2.22 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial Statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.23 Exceptional Items

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the consolidated financial Statements.

2.24 Standards notified but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property, Plant and equipment-The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial Statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets-The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 103 – Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its consolidated financial Statements.

Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its consolidated financial Statements.

G G Engineering Limited

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022

Note 3 : Property, Plant and Equipment

(Amount in ₹)

Particulars	Freehold Land	Buildings	Plants and Equipment	Computers	Total
Cost/Deemed Cost					-
At 31st March, 2020	9,60,53,432	1,38,99,272	7,57,15,065	3,48,167	18,60,15,936
Additions			2,18,25,108	64,454	2,18,89,562
Deletions					-
At 31st March, 2021	9,60,53,432	1,38,99,272	9,75,40,173	4,12,621	20,79,05,498
Additions	-	-	14,69,100	-	14,69,100
Deletions	9,36,45,754	92,47,287	1,44,86,254	38,560	11,74,17,855
At 31st March, 2022	24,07,678	46,51,985	8,45,23,019	3,74,061	9,19,56,743
Depreciation and Impairment					
At 31st March, 2020	-	37,11,070	1,42,58,520	2,89,277	1,82,58,867
Depreciation charge for the year		2,02,974	1,16,94,231	70,759	1,19,67,965
Disposals					-
At 31st March, 2021	-	39,14,044	2,59,52,751	3,60,036	3,02,26,832
Depreciation charge for the year		1,60,640	1,12,41,990	14,024	1,14,16,654
Disposals					
At 31st March, 2022	-	40,74,684	3,71,94,741	3,74,060	4,16,43,486
Net Book Value					
At 31 March 2022	24,07,678	5,77,301	4,73,28,278	0	5,03,13,257
At 31 March 2021	9,60,53,432	99,85,228	7,15,87,422	52,584	17,76,78,666

Note 4 : Non Current Investments

(Amount in ₹)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Investments in Equity Instruments				
Quoted				
25 equity shares of Reliance Power Ltd	25	6,880	25	6,880
Unquoted				
(2,500 Equity Shares of The Saraswat Co operative Bank Ltd. @Rs. 10/- each at cost)	2,500	25,000	2,500	25,000
400 Equity Shares of dawn View farms Pvt Ltd.	400	40,000	400	40,000
16000 Equity Shares of Kamal Ispat Pvt Ltd.	16,000	35,50,000	16,000	35,50,000
Total	18,925	36,21,880	18,925	36,21,880

Note 5 : Loans (Non Current)

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Repayable on Demand		
Kamlesh Kumar Rathi, no interest is charged	20,00,000	18,86,792
Kamal Ispat Pvt Ltd	32,750	-
Total	20,32,750	18,86,792

Note 6 : Other Financial Assets

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits	13,03,257	16,99,319
Term deposits with banks with maturity period more than 12 months	4,50,000	4,50,000
Total	17,53,257	21,49,319

Note 7 : Other Non current Assets

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with Government Authorities	1,90,90,006	2,45,36,791
Deposits for IT Appeal for AY 17-18	15,04,550	15,04,550
Total	2,05,94,556	2,60,41,341

Note 8 : Inventories

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	1,15,21,082	2,39,79,082
Work-in-Progress	-	20,922
Finished Goods	67,14,157	1,84,38,346
Total	1,82,35,239	4,24,38,350

Note 9 : Trade Receivables

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured and considered good	-	-
From Related Parties	-	-
From Others	-	-
Unsecured and considered good	-	-
From Related Parties	-	-
From Others	13,80,39,226	6,05,78,248
Doubtful	-	-
From Related Parties	-	-
From Others	3,08,300	-
Less: Allowance for doubtful debts	-	-
Total	13,83,47,526	6,05,78,248

Ageing Schedule for Trade Receivables- Current for F.Y 2021-22

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				More than 3 years	Total
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years		
i) Undisputed Trade Receivables-Considered Good	11,84,32,999	1,80,16,825	3,03,896	952162	333344	13,80,39,226
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	3,08,300	3,08,300
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total	11,84,32,999	1,80,16,825	3,03,896	9,52,162	6,41,644	13,83,47,526

Ageing Schedule for Trade Receivables- Current for F.Y 2020-21

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				More than 3 years	Total
	Less Than 6 months	6 months - 1year	1-2 years	2-3 years		
i) Undisputed Trade Receivables-Considered Good	4,51,07,584	1,00,04,762	33,35,009	481449	13,41,144	6,02,69,948
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	308300	3,08,300
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total	4,51,07,584	1,00,04,762	33,35,009	4,81,449	16,49,444	6,05,78,248

Note 10 : Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Cash and Bank Balances		
Bank balance in current account	9,25,483	4,11,120
Cheque Issue but not credited	30,000	-
Cash on hand	11,56,390	19,26,127
Total	21,11,873	23,37,247

Note 11 : Loans (Current)

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loans to Employees	-	5,08,500
Loan to Others	1,02,57,808	-
Advance to Staff	8,97,506	-
Advance to Vendors	28,49,249	29,77,562
Total	1,40,04,563	34,86,062

Note 12 : Other Current Assets

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due	1,04,339	89,739
Prepaid Insurance	42,362	1,57,176
Subsidy Receivable	2,37,97,500	2,37,97,500
Total	2,39,44,201	2,40,44,415

Note 13 : Share Capital

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs. 2 each	5,25,00,000	10,50,00,000	-	-
Equity Shares of Rs. 10 each	-	-	1,05,00,000	10,50,00,000
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs. 2 each	5,15,50,225	10,31,00,450	-	-
Equity Shares of Rs. 10 each	-	-	1,03,10,045	10,31,00,450
Total	5,15,50,225	10,31,00,450	1,03,10,045	10,31,00,450

a) Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Share:				
Balance as at the beginning of the year	1,03,10,045	2,06,20,090	1,03,10,045	10,31,00,450
Add: Issued during the year for Cash			-	-
Add: Issued during the year as Bonus				
Add: Adjustment for sub-division of equity share	4,12,40,180			
Balance as at the end of the year	5,15,50,225	2,06,20,090	1,03,10,045	10,31,00,450

b) Rights, preferences and restrictions attached to shares

During the year the company has split the shares in the ratio of 5:1 reducing the face value per share to Rs. 2 per share. The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Vinod Beriwal	8,66,665	1.68%	16,50,000	16.00%
Sangeeta Beriwal	-	-	16,08,333	15.60%
Kamal Beriwal	8,66,665	1.68%	15,00,000	14.55%
Rashi Gupta	-	-	7,75,000	7.52%
TCG Funds Fund 1	-	-	5,96,820	5.79%
Ramesh Sawalram Saraogi	-	-	15,00,000	14.55%
Hardik Shah	-	-	1,66,101	1.61%
Manisha Shah	-	-	-	-
Stepping Stone Construction Pvt Ltd	41,90,763	8.13%		
Total	59,24,093	11.49%	77,96,254	75.62%

d) Disclosure of Shareholding of Promoter

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Name of Promoter	No. of Shares		No. of Shares		% Change during the
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Vinod Beriwal	8,66,665	1.68%	16,50,000	16.00%	-14.32%
Kamal Beriwal	8,66,665	1.68%	15,00,000	14.55%	-12.87%
Sangeeta Beriwal	-	0.00%	16,08,333	15.60%	-15.60%
Shashi Devi	830	0.00%		0.00%	0.00%
Total	17,34,160	3.36%	47,58,333	46.15%	42.79%

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Name of Promoter	As at March 31, 2021		As at March 31, 2020		% Change during the
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Vinod Beriwal	16,50,000	16.00%	16,50,000	16.00%	0.00%
Kamal Beriwal	15,00,000	14.55%	15,00,000	14.55%	0.00%
Sangeeta Beriwal	16,08,333	15.60%	16,08,333	15.60%	0.00%
Shashi Devi	830	0.01%	830	0.01%	0.00%
Total	47,59,163	46.16%	47,59,163	46.16%	0.00%

Note: During the year the promoters have reduced their stake in the company by selling the shares in the Open Market

Note 14 : Other Equity

(Amount in ₹)

Other Equity	Securities Premium Reserve	Consolidated Surplus	Items of Other Comprehensive Income	Money received against share warrants	Total	Movement in Non Controlling Interest
Balance as at 1st April, 2021	1,56,00,000	2,30,61,145	-3,00,551	12,502	3,83,73,097	2,06,01,991
Profit/(Loss) for the year		8,99,717	1,68,726		10,68,444	31,15,541
Shares issued during the year					-	
Bonus issued during the year					-	
Money received against warrants during the year	1,41,00,000				1,41,00,000	
Shares issued against warrants during the year					-	
Balance as at 1st April, 2022	2,97,00,000	2,39,60,863	-1,31,824	12,502	5,35,41,540	2,37,17,532
Balance as at 1st April, 2020	1,56,00,000	2,64,57,472	-5,52,277	12,502	4,15,17,696	2,54,07,898
Profit/(Loss) for the year		-33,96,326	2,51,727		-31,44,600	-48,05,907
Shares issued during the year					-	
Bonus issued during the year					-	
Warrants issued during the year					-	
Shares issued against warrants during the year					-	
Balance as at 1st April, 2021	1,56,00,000	2,30,61,145	-3,00,551	12,502	3,83,73,097	2,06,01,991

Note 15 : Borrowings

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-current	Current	Non-current	Current
Bonds				
Term Loans:				
Secured	-	3,12,48,691	69,76,345	7,38,21,749
Unsecured		5,75,69,796		2,49,75,000
Total	-	8,88,18,487	69,76,345	9,87,96,749

Particulars	Security	Amount in Rupees			
		As at March 31, 2022		As at March 31, 2021	
		Non-current	Current	Non-current	Current
Term Loans: Secured					
Rupee Term loans from Banks	Secured against personal guarantee of Directors and hypothecation of imported Plant and Machinery, at the rate of interest: PLR+3.25%p.a.			59,33,855	23,00,401
Rupees Loan for Motor Car	Secured against Car, repayable within 5 years as per repayment schedule at the rate of interest of 8.49%.		46,674	46,674	1,11,471
Rupees Loan for Truck	Secured against Truck, repayable within 5 years as per repayment schedule at the rate of interest of 10.5%.		9,95,816	9,95,816	3,88,825
Cash Credit Facility	Secured against personal guarantee of Directors and Residential Flat of Directors at the rate of interest of 13.5% to 15% p.a.			-	3,48,04,039
Cash Credit Facility	(Secured against Book debts and Stock in Trade at the rate of interest of 13.5% to 15% p.a.)				3,62,17,014
South Indian Bank A/c			2,58,80,894		
South Indian Bank A/c			43,25,306		
Total		-	3,12,48,691	69,76,345	7,38,21,749

Unsecured Borrowings

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loan from Director- Vinod Beriwal	1,09,23,734	-
Sangeeta Beriwal	23,36,062	-
Kamal Beriwal	1,62,50,000	68,50,000
Rashi Gupta	59,00,000	1,41,25,000
Shashi Devi Beriwal	74,60,000	33,00,000
Rajeshwar Nath Gupta	25,00,000	-
S K M Steels LLP	1,15,00,000	-
Green Wood Estates Private Limited	700000	7,00,000
Total	5,75,69,796	2,49,75,000

Details of Loans from :

(Amount in ₹)

Type of Borrower	Amount of Loan outstanding	% of Total Borrowings
Promoter	-	-
Director	3,54,09,796	40%
Related Parties	-	-
Total	3,54,09,796	40%

Note 16 : Deferred Tax Liabilities (Net)

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
Depreciation	2,19,298	17,63,110
Other timing difference	73,164	73,164
Deferred tax assets		
Depreciation	-15,19,992	
Other timing difference		
Total	-12,27,530	18,36,274

Note 17 : Trade Payables

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small and Medium Enterprises	-	-
Due to Related Parties	-	-
Due to Others	1,07,25,987	7,78,41,333
Total	1,07,25,987	7,78,41,333

The disclosures pursuant to the said Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') are as follows:

Principal Amount remaining unpaid to any supplier as at the end of the year		-
Amount of interest due remaining unpaid to any supplier as at the end of the year		-
Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		-
Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid)		-
Amount of interest accrued and remaining unpaid at the end of the year		-
Amount of further interest remaining due and payable even in the succeeding year		-
Total		-

Trade Payables ageing Schedule for the F.Y 2021-22

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	79,94,809	27,31,178	-	-	1,07,25,987
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
Total	79,94,809	27,31,178	-	-	1,07,25,987

Trade Payables ageing Schedule for the F.Y 2020-21

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	4,32,50,369	3,00,28,509	45,62,455	-	7,78,41,333
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
Total	4,32,50,369	3,00,28,509	45,62,455	-	7,78,41,333

Note 18 : Short Term Provisions

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Provisions	11,39,256	-
Total	11,39,256	-

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Revenue received in advance:		
Advance received from customers	1,28,83,329	1,53,70,160
(b) Other Payables		
Statutory Due Payable	37,64,208	9,32,883
Audit Fees Payable	70,000	-
Provision for expenses	16,40,565	36,47,760
Total	1,83,58,102	1,99,50,803

Ageing Analysis of Advance to Customers for F.Y 2021-22

(Amount in ₹)

Particulars	Less than 1 year	1 year to 2 year	More Than 2year	Total
Undisputed	1,17,33,329	1,00,000	8,00,000	1,26,33,329
Disputed	-	2,50,000		2,50,000
Total	1,17,33,329	3,50,000	8,00,000	1,28,83,329

Ageing Analysis of Advance to Customers for F.Y 2020-21

(Amount in ₹)

Particulars	Less than 1 year	1 year to 2 year	More Than 2year	Total
Undisputed	1,38,50,160	11,00,000	4,20,000	1,53,70,160
Disputed				-
Total	1,38,50,160	11,00,000	4,20,000	1,53,70,160

Note 20 : Revenue from Operations

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a. Manufactured Goods	4,16,73,947	16,09,03,186
b. Stock in Trade	15,14,38,717	20,57,81,030
Other Operating Revenues	-	
Commission Income	3,24,20,798	74,86,279
Total	22,55,33,462	37,41,70,495

Note 21 : Other Income

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest Income on:		
Bank Deposits	10,08,275	70,604
Interest on Income Tax Refund	8,925	
Rental Income	6,00,000	6,00,000
Other Interest Income	19,950	9,720
Discount Received	2,24,000	
Profit on sale of assets	11,67,180	-
Sundry Credit Balance Written off	11,70,000	
Miscellaneous Income	-	2,83,862
Total	41,98,330	9,64,186

Note 22 : Cost of Materials Consumed

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials Consumed		
Raw Materials at the beginning of the year	1,77,67,338	3,11,40,809
Add: Purchases	3,25,86,508	12,32,66,635
Less: Raw materials at the end of the year	1,10,29,852	2,39,79,082
Total Cost of Raw Materials consumed	3,93,23,994	13,04,28,362
Total Cost of Materials Consumed	3,93,23,994	13,04,28,362

Note 23 : Changes in Inventories of Finished Goods,
Work-in-Process and Stock-in-Trade

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Inventories		
Finished Goods	28,00,977	43,08,456
Work-in-Process	20,922	1,18,962
	28,21,899	44,27,418
Closing Inventories		
Finished Goods	25,43,632	1,84,38,346
Work-in-Process	-	20,922
	25,43,632	1,84,59,268
Total changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	2,78,267	-1,40,31,850

Note 24 : Employee Benefit Expenses

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Salaries, Wages and Bonus	20,20,644	97,45,082
Contribution to Employee Provident Funds	19,248	1,45,877
Staff welfare expenses	63,305	1,73,386
Director Remuneration	13,00,000	24,91,674
Total	34,03,197	1,25,56,019

Note 25 : Finance Costs

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank Interest	36,25,985	77,74,852
Other Borrowing Cost	21,868	79,127
Total	36,47,853	78,53,979

Note 26 : Depreciation and Amortization Expenses

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Depreciation on Plant, Property and Equipment	1,14,16,654	1,19,67,965
Total	1,14,16,654	1,19,67,965

Note 27 : Other Expenses

(Amount in ₹)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Labour Charges	61,800	79,61,720
Auditors Remuneration	-	-
-Statutory Audit Fees	92,000	92,000
-Tax Audit Fees	50,000	50,000
Advertisements	12,760	1,76,948
Administrative Expenses	4,80,000	-
Business Promotion	28,245	-
Discount & Rebate	39,812	-
Conveyance & Travelling	1,34,670	5,07,160
Insurance Charges	23,556	3,38,351
Loading and Unloading Charges	50,000	-
Rate and Taxes	1,69,021	7,71,657
Power & Fuel	70,28,912	1,40,91,783
Professional Charges	82,350	13,25,913
Rent Expense	43,94,382	45,59,416
Freight Charges / Transport (Net of Income)	2,09,319	7,74,306
Repairs and Maintenance	-	-
-Plant and Machinery	-	49,380
-Others	3,16,499	13,43,314
Office Expense	15,500	-
Telephone, Internet & Computer Charges	23,888	1,77,851
Printing, Stationery & Courier Expenses	19,917	73,802
Misceallneous Expenses	2,44,425	9,85,937
Sundry Balances Written off	8,53,437	15,000
Bad Debts	13,40,806	-
Purchase Consumable Material	3,19,250	-
Loss on Sale of Asset	8,22,551	-
Software and Subscription Expenses	-	3,00,000
Total	1,68,13,100	3,35,94,538

Note 28: Profit & Loss from Discontinued Operations

(Amount in ₹)

Sr. No.	Particulars	As at 31st March, 2022
I	Revenue from Operations	7,88,12,749
II	Other Income	4,05,692
III	Total Income (I+II)	7,92,18,441
IV	Expenses	
	Cost of materials consumed	4,67,36,189
	Purchases of Stock -in-Trade	
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	1,14,66,844
	Employee benefit expenses	59,81,032
	Finance costs	37,24,672
	Depreciation and amortization expenses	
	Other Expenses	1,16,79,856
	Total Expenses (IV)	7,95,88,593
V	Profit/(Loss) before exceptional items and tax (I-IV)	-3,70,152
VI	Exceptional Items	
VII	Profit/(Loss) before tax (V-VI)	-3,70,152
VIII	Tax Expense:	
	(1) Current Tax	
	(2) Deferred Tax	
	(Short)/Excess Provison of Tax	
IX	Profit/(Loss) for the period from Discontinuing operations (VII-VIII)	-3,70,152

Note 29: Related Party Transaction

Relationship	Name of KMP
Managing Director (upto 31st March, 2022)	Vinod Beriwal
Director (upto 31st March, 2022)	Sangeeta Beriwal
Wholetime Director	Kamal Beriwal
Wholetime Director (from 31st March, 2022)	Deepak Kumar Gupta
Wholetime Director (from 31st March, 2022)	Atul
Director	Rashi Beriwal
Chief Financial Officer	Uttam Kumar
Company Secretary	Sapna Tehanguriya
Company Secretary	Apurva Singh

(Amount in ₹)

Transactions	As at March, 2022	As at March, 2021
Directors Remuneration		
Vinod Beriwal	12,00,000	12,91,674
Kamal Beriwal		12,00,000
Loan from Director- Vinod Beriwal		
Amount Outstanding at the beginning of the year	-	
Amount received during the year	1,13,95,000	
Amount repaid during the year	4,71,266	
Amount Outstanding at the end of the year	1,09,23,734	
Loan from Director- Sangeeta Beriwal		
Amount Outstanding at the beginning of the year	-	
Amount received during the year	23,50,000	
Amount repaid during the year	13,939	
Amount Outstanding at the end of the year	23,36,061	
Unserured Loan taken from		
Kamal Beriwal	94,00,000	27,00,000
Rashi Gupta		1,41,25,000
Shashi Devi Beriwal	41,60,000	33,00,000
Unserured Loan repaid during the year		
Kamal Beriwal		
Rashi Gupta	82,25,000	
Shashi Devi Beriwal		
Unserured Loan Payable as at year end		
Kamal Beriwal	1,62,50,000	68,50,000
Rashi Gupta	59,00,000	1,41,25,000
Shashi Devi Beriwal	74,60,000	33,00,000
Salary to Chief Financial Officer	5,000	5,000
Salary to Company Secretary	48,000	42,000

Note 29 : Segment Reporting

The Company has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Company is primarily determined by the nature of products and services.

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

The business segment comprises of the following:

Electric Parts Manufacturing: It had factory at where it has business of assembling and selling of electrical parts. During the current year in quarter 4 the company has discontinued the operations at the manufacturing factory.

Iron and Steel Trading: From Ghaziabad, Uttar Pradesh, the company is trading into Iron and Steel Metals.

Manufacturing of Packaged food juice and cold drinks : It has a manufacturing plant at Rai Industrial Estate in Sonipet District at Haryana

There are no Geographical segment to be considered, since the entire business is in India.

(Amount in ₹)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Revenue		
	Genset/Electric Parts Manufacturing		7,17,88,416
	Iron and Steel Trading	15,14,38,717	20,57,81,030
	Manufacturing of Packaged Fruit Juice	4,16,73,947	8,91,14,769
	Sub Total	19,31,12,664	36,66,84,216
	Other operating revenue		
	Genset/Electric Parts Manufacturing	-	-
	Iron and Steel Trading	-	-
	Manufacturing of Packaged Fruit Juice	3,24,20,798	74,86,279
	Sub Total	3,24,20,798	74,86,279.00
	Total Revenue	22,55,33,462	37,41,70,495
	Segment result – segments in profit		
	Genset/Electric Parts Manufacturing	-	-13,03,597
	Iron and Steel Trading	-30,80,511	33,87,395
	Manufacturing of Packaged Fruit Juice	73,02,920	-99,91,556
	Tax expense	1,63,001	2,94,502
	Profit after tax	43,85,410	-82,02,260
	Other information		
	Segment Assets		
	Genset/Electric Parts Manufacturing	-	1,44,32,922
	Iron and Steel Trading	18,76,42,321	11,71,80,519
	Manufacturing of Packaged Fruit Juice	15,75,60,340	13,16,13,441
	Total Assets	34,52,02,661	26,32,26,882.00
	Segment liabilities		
	Genset/Electric Parts Manufacturing	-	10,00,95,396
	Iron and Steel Trading	2,60,24,962	1,72,02,326
	Manufacturing of Packaged Fruit Juice	10,87,82,832	8,71,93,358
	Unallocated corporate liabilities		-
	Total liabilities	13,48,07,794	20,44,91,080.45
	Capital expenditure		
	Genset/Electric Parts Manufacturing	-	80,11,354
	Manufacturing of Packaged Fruit Juice	14,69,100	1,38,78,208
	Depreciation and amortization included in segment expense		
	Genset/Electric Parts Manufacturing	24,03,790	28,92,907
	Iron and Steel Trading	-	-
	Manufacturing of Packaged Fruit Juice	90,12,864	90,75,058

Note 30: Earnings per Shares	As at March 31, 2022	As at March 31, 2021 (Restated)
Basic EPS		
Profit for the year	43,85,410	(82,02,260)
Weighted number of shares outstanding	5,15,50,225	5,15,50,225
Basic and Diluted EPS (Rs.)	0.09	(0.16)
Diluted EPS		
Profit for the year	43,85,410	(82,02,260)
Weighted number of shares outstanding	5,15,50,225	5,15,50,225
Basic and Diluted EPS (Rs.)	0.09	(0.16)

Note 31: Contingent Liability

(Amount in ₹)

Particular	As at March 31, 2022	As at March 31, 2021
Income Tax Appeals - CIT*	75,22,748	75,22,748

*The company has received an demand order of ₹ 75,22,748 u/s 156 of the Income Tax Act 1961 for AY 17-18.

The company has filed for appeal against this demand order and the management is of the opinion that the outcome of the appeal would be in favour of the company and thus it has not created provision in the books of accounts of the company.

Note 31: Balances of Trade Receivables and Trade Payables as at the balance sheet are subject to confirmation and reconciliation.

Note 32 : Previous year figures have been re-grouped and reclassified wherever necessary to conform to this year's classification. Trade Receivables, advances and Trade Payables are subject to confirmations.

As per our attached report of even date.

SGN & Co

Chartered Accountants

FRN 134565W

For & on behalf of the Board of Directors of
G G Engineering Limited

Nirmal Jain

Partner

Membership No 154074

Deepak Kumar Gupta

Wholtime Director

DIN No: 00057003

Kamal Beriwal

Director

DIN No: 00310692

Place: Mumbai

UDIN: 22154074AJVEWH5996

Date: May 28, 2022

Sapna Tehanguriya

Company Secretary

PAN: BBIPT7756E

Uttam Kumar

Chief Financial Officer

PAN: ACXPK7432R

Note 33 : Additional Regulatory Information

Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year
Current ratio (in times)	Total Current Assets	Total Current Liabilities	1.65	0.68
Debt- Equity Ratio (in times)	Debt consist of Borrowings	Total Equity	0.49	0.65
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.78	1.23
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	4%	-8%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.06	7.45
Trade payables turnover ratio (in times)	Purchases	Average trade payables	3.40	1.88
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	2.84	2.17
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.92	-5.87
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.01	-0.02
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.06	-0.00
Return on Investment (in %)	Income generated from invested funds	Average invested funds	0.02	-0.05

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