

Ref No.: GGD/Sec./2020/09/03
6th September, 2020

To,
Corporate Relationship Department
BSE Limited
1st Floor, PJ Towers,
Dalal Street, Fort
Mumbai – 400 001

Dear Sir/Madam,

Subject: Submission of Annual Report for the FY 2019-20

Ref: Scrip Code: 505250

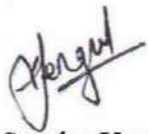
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 81st Annual Report of the Company for the financial year 2019-20.

The Annual Report of the Company for the Financial Year 2019-20, along with the Notice of the Annual General Meeting is being sent to the registered members of the Company by email and is being uploaded on website of Company and is also uploaded at RTA's website at www.linkintime.co.in.

You are kindly requested to take the same on your record.

Thanking you,
Yours faithfully,

For **G. G. Dandekar Machine Works Limited**



Sayalee Yengul
Company Secretary

Encl.: As above

CIN : L99999MH1938PLC002869

Regd. Office & Factory :

B-211/1, MIDC Butibori Industrial Area,

Kinhi Village, Tah. Hingna,

Dist. Nagpur - 441122, Maharashtra

Tel. : (07103) 295109

Website : www.ggdandekar.com



G. G. DANDEKAR MACHINE WORKS LIMITED

81st Annual Report 2019-2020

Cover Back

Annual Report for the year ended on 31st March 2020**BOARD OF DIRECTORS**

Mr. Nihal G. Kulkarni
 Mr. Mangesh S. Joshi
 Mr. Madhav R. Chandrachud
 (Resigned w.e.f. 30.12.2019)
 Mr. Rajesh D. Phadke
 (Resigned w.e.f. 16.05.2019)
 Mr. Pawan J. Rathi
 (Appointed w.e.f. 16.05.2019)
 Mr. Saurabh B. Patwardhan
 (Reappointed w.e.f. 11.09.2019)
 Mrs. Savita P. Sahasrabudhe
 (Tenure Completed on 10.09.2019)
 Ms. Smita A. Raichurkar
 (Additional Director w.e.f. 27.01.2020)
 Mr. Chinmay M. Bhandari
 (Additional Director w.e.f. 27.01.2020)

Chairman (DIN: 01139147)
 Executive Director (DIN: 07244555)
 Non-Executive Non-Independent Director (DIN: 06419028)
 Non-Executive Independent Director (DIN: 02749329)
 Non-Executive Independent Director (DIN: 06669485)
 (Audit Committee Chairman)
 Non-Executive Independent Director (DIN: 03056479)
 Non-Executive Independent Director (DIN: 06926402)
 Non-Executive Non-Independent Director (DIN: 08179533)
 Non-Executive Independent Director (DIN: 07843049)

COMPANY SECRETARY

Mr. Ajay Shrivastava (upto 9th March 2020)
 Ms. Sayalee Yengul (w.e.f. 15th June 2020)

CHIEF FINANCIAL OFFICER

Mr. Mahavir Barlotia (upto 14th March 2020)
 Mr. Shishir Panse (w.e.f. 15th June 2020)

STATUTORY AUDITORS

M/s. Kulkarni Soman & Associates,
 Chartered Accountants, Pune

SECRETARIAL AUDITORS

M/s. KANJ & Co. LLP
 Company Secretaries, Pune

BANKERS

HDFC Bank
 State Bank of India
 Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
 'Akshay Complex' Block No. 202, 2nd Floor,
 Near Ganesh Temple, Off Dhole Patil Road,
 Pune 411001
 Tel.: +91 (20) 26161629/ 26160084
 Fax: +91 (20) 26163503;
 Email: pune@linkintime.co.in
 CIN : U67190MH1999PTC118368

REGISTERED OFFICE

211/A, MIDC, Butibori Industrial Area,
 Village Kinhi, Tal. Hingana Dist. Nagpur 441122.
 Tel.: +91 (07103) 295109;
 E-mail: cs@ggdandekar.com, ir@ggdandekar.com
 Website: www.ggdandekar.com
 CIN : L99999MH1938PLC002869

LOCATION OF FACTORY

Nagpur

Information for shareholders'

Annual General Meeting
 Day and Date : Monday, 28th September, 2020
 Time : 11.30 a.m. (IST)
 Venue : "Through Video Conferencing (VC) /Other
 Audio-Visual Means (OAVM)"
 Date of Book Closure : 22nd September 2020 to 28th September 2020
 (both days inclusive)

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G. G. DANDEKAR MACHINE WORKS LIMITED

NOTICE

Notice is hereby given that the 81st Annual General Meeting (AGM) of the Members of G. G. Dandekar Machine Works Limited (the "Company") will be held on Monday, 28th day of September 2020 at 11.30 a.m. (IST) through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') facility, in compliance of provisions of the Companies Act, 2013 ('the Act') and Rules thereof read with the General Circular No. 14/2020 dated 8th April 2020; the General Circular No. 17/2020 dated 13th April 2020 and the General Circular No. 20/2020 dated 5th May 2020 issued by the Ministry of Corporate Affairs (hereinafter referred as "Circulars") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 to transact the following business:

ORDINARY BUSINESS:

ITEM NO.1:

To receive, consider and adopt the Audited Financial Statements and the Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2020 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO.2:

To appoint a director in place of Mr. Nihal Kulkarni (DIN 01139147), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM NO. 3

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force), Ms. Smita Arun Raichurkar (holding DIN: 08179533), who was appointed as an Additional Director by the Board of Directors of the Company with effect from 27 January 2020 and who holds office of Director up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation."

ITEM NO. 4

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 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and Regulation 16(1)(b) and 25(8) including such other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee, Mr. Chinmay Madhav Bhandari (DIN: 07843049), who was appointed as an Additional Director by the Board of Directors of the Company with effect from 27 January 2020 and who holds office of Director up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 27 January 2020."

By Order of the Board of Directors

Sd/-

Place: Pune
Date: 25th August 2020

Sayalee Yengul
Company Secretary

NOTES:

1. In view of massive outbreak of the COVID 19 pandemic, social distancing is a norm to be followed, the Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed personal presence of the members at the meeting.
Pursuant to the General Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020 and Circular No. 20/2020 dated 5th May 2020, issued by Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter referred as "Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said Circulars, the 81st Annual General Meeting (AGM) of the members of the Company will be held through VC/OAVM.
For detailed procedure for participating in the AGM through VC/OAVM please refer point no. 24 below.
2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
Only a member of the Company will be entitled to attend and vote at the AGM of the Company which will be held through VC or OAVM and no member will be entitled to appoint a proxy to attend and vote instead of himself/herself.
3. Corporate Member(s) intending to appoint their authorized representative(s) to attend the AGM through VC/OAVM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013, and Rules thereof including amendments thereunder, to the Scrutinizer by e-mail at mahesh.athavale@kanjcs.com with a copy marked to evoting@nsdl.co.in.
4. The facility for participation at the AGM through VC/OAVM is limited and on a first-come-first-serve basis. The same shall open 15 minutes before the time scheduled for the AGM and close after the expiry of 15 minutes from the scheduled time for AGM. However, the participation of members 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 is not restricted on account of first come first serve basis.
5. The attendance of the Members attending the AGM through VC / OVAM will be counted to reckon the quorum under Section 103 of the Companies Act, 2013.
6. The statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, including amendments thereunder relating to the special business to be transacted at the meeting is annexed hereto.
7. Details pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments thereunder, in respect of directors seeking appointment / re-appointment at the AGM, forms part of this Notice.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September 2020, to 28th September, 2020 (both days inclusive) for the AGM.
9. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries by providing full name, DP ID and Client ID / Folio Number and contact number at email address viz. ir@ggdandekar.com at least 7 days in advance of the date of this meeting so that the information can be made available at the time of this meeting.
10. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and Rules thereunder, including amendments thereof, any money transferred to the unpaid dividend account, which remains unpaid or unclaimed for 7 years from the date of such transfer is required to be transferred to the 'Investor Education and Protection Fund (IEPF)'. Pursuant to the provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendments thereon, all shares in respect of which the dividend has not been paid or claimed for 7 consecutive years or more, are required to be transferred to IEPF.
The dividend till the year 2010-11 which remained unpaid or unclaimed for 7 years has been transferred to the IEPF Authority (IEPF Account) in the year 2018, all shares in respect of which dividend has remained unpaid or unclaimed for 7 consecutive years are also transferred to the IEPF Authority. The details of such members and shares transferred are uploaded on the website of the Company, viz. www.ggdandekar.com. The company has not declared dividends from the year 2011-12.
As the aforesaid shares/dividend is transferred to IEPF, the concerned shareholders can claim the same by making an application in the prescribed form and manner to the IEPF Authority.
11. Members are requested to register their email addresses with the Company / the R & T Agent in case of holding of

G. G. DANDEKAR MACHINE WORKS LIMITED

shares in physical form and with the concerned DPs in case of shares held in dematerialised form.

12. Permanent Account Number (PAN)

Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members are requested to submit their PAN to their DPs (in case of shares held in dematerialised form) or to the Company / R & T Agent (in case of shares held in physical form).

13. Members are requested to inform change in address or Bank mandate to their respective DPs with whom they are maintaining their demat accounts and with the R & T Agent or the Company for the shares held in physical form by a written request duly signed by the member for receiving all communications in future.

14. Dematerialisation of Shares and Share Transfer

Members may avail the facility of dematerialisation by opening demat accounts with the DPs of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificate held by them dematerialised

The requests for effecting transfer of securities (except in case of transmission or transposition of securities) will not be permitted unless the securities are held in the dematerialised form with a depository with effect from 1st April 2019, as per SEBI Notification LIST/COMP/15/2018-19 dated 5 July 2018 read with SEBI press release 51/2018 dated 3 December 2018. However, there is no restriction on transmission/transposition of securities held in physical form.

15. Since the securities of the Company are compulsorily tradable in electronic form to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialised at the earliest.

16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. A periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

17. Members having multiple folios are requested to intimate to the Company / R & T Agent such folios, to consolidate all shareholdings into one folio.

18. Nomination

Pursuant to the provisions of Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Members desirous of making a nomination are requested to send their requests in Form SH-13 in duplicate (which will be made available on request) to the R & T Agent of the Company.

19. Register E-mail Address

Members are requested to register their e-mail addresses with R & T Agent viz. Link Intime India Private Limited in case of holding of shares in physical form and with concerned DPs in case of shares held in dematerialised form.

Due to the outbreak of COVID 19 pandemic and prolonged situation, the postal/courier services are hampered.

In order to receive the correspondence, Members are requested to register their e-mail address(es) or changes therein, if any, at the earliest, to receive aforesaid AGM Notice, Annual Report and login ID & password for e-voting electronically. Shareholders holding shares in dematerialized mode are requested to register their email addresses and mobile numbers with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish their email addresses and mobile numbers with the Company at ir@ggdandekar.com or its R&T Agent viz. Link Intime India Private Limited at pune@linkintime.co.in.

Members (in case of holding shares in physical form) who have not updated their bank account details for receiving the dividend, if any, directly in their bank accounts through electronic mode may update their bank account details through the aforesaid email addresses of the Company and the R&T Agent by providing necessary documents and information. Members (in case of holding shares in dematerialized form) are requested to contact DPs for updating bank account details.

20. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2019-20, is being sent only through electronic mode to those Members whose email addresses are registered with the R&T Agent /Company / Depositories.

Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.ggdandekar.com, on the websites of Stock Exchange i.e. BSE Limited at www.bseindia.com and the website of NSDL <https://www.evoting.nsdl.com>.

21. Inspection Documents

Electronic copy of relevant documents referred to in the Notice and Explanatory Statement will be made available through email for inspection by the Members. A Member is requested to send an email to ir@ggdandekar.com for the same. Electronic copies of necessary statutory registers and auditors' reports / certificates will be available for inspection by the Members at the time of AGM

22. Since the AGM will be held through VC / OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

23. National Securities Depositories Limited (NSDL) will be providing facility for voting through remote e-Voting, for participation in this AGM through VC / OAVM facility and e-Voting during this AGM.

24. Instructions for e-voting and procedure for joining the AGM through VC/OAVM

Voting through electronic means (Remote e-voting/e-voting on the date of AGM)

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments thereunder and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, including amendments thereunder and the circulars issued by the Ministry of Corporate Affairs viz. Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020 and Circular No. 20/2020 dated 5th May 2020, the Company is providing facility of remote e-voting and e-voting on the date of AGM to its Members in respect of the business to be transacted at the 81st Annual General Meeting.

For this purpose, the Company has engaged the services of 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 voting on the date of the AGM will be provided by NSDL.

II. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.

III. THE INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period commences on 25th September, 2020 at 09: 00 A.M. (IST) and ends on 27th September, 2020 at 05:00 P.M. (IST) During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

A. Member whose email IDs are registered with the Company/ R & T Agent viz. Link Intime India Private Limited / Depository Participant(s) will receive an email from NSDL informing them of their User-ID and Password. Once the Members receive the email, he or she will need to go through the following steps to complete the remote e-voting process

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

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

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

Details on Step 1 is mentioned below:**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 mobile.
2. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password, and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services 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. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need 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 the steps mentioned in Sr. No. B 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.
- 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 checkbox.

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

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

Details on Step 2 are given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Step 3: How to access the VC / OAVM facility at the AGM?

Members are requested to follow the instructions given below to attend and view the live proceedings of the AGM:

1. Log in on the NSDL website at <https://www.evoting.nsdl.com> using your remote e-voting credentials.
2. After you have successfully logged into NSDL e-voting system, you will see the home page of e-voting. Click on "e-voting" & "Active e-voting cycles / VC or OAVM" EVEN of G. G. Dandekar Machine Works Limited will be visible, click on "VC / OAVM" below the "Join General Meeting" tab.
3. Kindly note that a Member, 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 instructions provided in Step 1 above to avoid last-minute rush. Further, a Member can also use the OTP based login for logging into the e-voting system of NSDL.
4. In case of any query relating to attending the AGM through VC / OAVM, kindly contact Ms. Sarita Mote, Manager Assistant, National Securities Depository Limited, 4th Floor, 'A' wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013.

Email: evoting@nsdl.co.in / saritam@nsdl.co.in

Telephone Nos. +91 (22) 2499 4545 or 1800-222-990

B. Process for those shareholders whose email ids are not registered with the Company/ R&T Agent/Depository Participant(s) and 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 ir@ggdandekar.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 ir@ggdandekar.com.
3. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
4. Please follow all steps from Sr. No. III (A) above, to cast vote.

General Guidelines for members

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 maresh.athavale@kanjcs.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on toll-free no.: 1800-222-990 or send a request to evoting@nsdl.co.in

G. G. DANDEKAR MACHINE WORKS LIMITED

IV. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is the 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 cast 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.
5. In case any Member casts the vote through e-voting to be conducted at the time of AGM in addition to the remote e-voting, the voting through remote e-voting shall be considered as final and vote cast through e-voting at the time of the AGM shall be considered as invalid

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for a better experience.
3. Further Members will be required to allow Camera and use Internet with 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 networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in / 022-24994360 or Mr. Sagar Ghosalkar, Assistant Manager - NSDL at sagar.ghosalkar@nsdl.co.in / 022-24994553.
6. Members 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 (company email id). The same will be replied by the company suitably.

Members who would like to express their views/ask questions during the AGM may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id and mobile number at email address viz. ir@ggdandekar.com at least 4 days before date of the meeting. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

For smooth conduct of proceedings of the AGM, Members may note that the Company reserves the right to restrict number of questions and speakers during the AGM depending upon availability of time.

25. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 21st September 2020.
26. Any person, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 21st September 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or call on toll-free no. 1800-222-990. You can also update your mobile number and e-mail ID in the user profile details of the Folio, which may be used for sending future communication(s).
27. A person, whose name is recorded in the register of members or the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 21st September 2020 only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
28. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

29. Mr. Mahesh Athavale, Practicing Company Secretary, (Membership No. FCS 2412 CP No. 1488), Pune has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
30. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “e-voting facility availed from NSDL” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
31. The Scrutinizer shall after the conclusion of e-voting at the Annual general meeting, will unblock the votes cast through remote e-voting/e-voting at the time of AGM, not later than forty-eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
32. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.ggdandekar.com and the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange viz. BSE Limited.

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ANNEXURE TO THE NOTICE

STATEMENT OF MATERIAL FACTS ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

INCLUDING AMENDMENTS THEREUNDER

As required by Section 102 (1) of the Companies Act, 2013 (the Act) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations), the following Statement sets out all material facts relating to Item Nos. 2, 3 & 4 in the notice of 81st Annual General Meeting of the Company to be held on Monday, September 28th, 2020 at 11.30 a.m. (IST)

ITEM NO. 2 OF THE NOTICE:

Mr. Nihal Kulkarni (DIN 01139147) retires by rotation and being eligible, offer himself for re-appointment.

Mr. Nihal G. Kulkarni (aged 39 years), A. B. in Economics from Brown University, USA, has over ten years of experience in the areas of finance and investments. He has undergone extensive training with the Kirloskar Group, Toyota Motor Sales, USA and DSP Merrill Lynch. He is the Chairman of the Company. He was Vice President in Kirloskar Pneumatic Company Limited up to 22nd October 2010. He was the Managing Director of Kirloskar Industries Limited (KIL) from 23rd October 2010 up to 25th January 2012. He served as the Managing Director of Kirloskar Oil Engines Limited during the period 26th January 2012 to 28th April 2020.

He is also Director in following other Companies

Name of the Company	Board Position Held	Committee Membership
Arka Fincap Ltd. (Formerly Kirloskar Capital Ltd.)	Director	Audit Committee – Chairman
Kirloskar Oil Engines Ltd. (Earlier Kirloskar Engines India Ltd.)	Director	Corporate Social Responsibility Committee Member
Kirloskar Industries Ltd. (Earlier Kirloskar Oil Engines Ltd.)	Director	-
Kloudq Technologies Ltd.	Director	-
Achyut & Neeta Holdings & Finance Pvt. Ltd.	Director	-
Expert Quality Cloud Information Technology Pvt. Ltd.	Director	-
Navasasyam Dandekar Pvt. Ltd.	Chairman	

He does not hold any equity share in the Company.

Except Mr. Nihal Kulkarni and his relatives to the extent of their shareholding, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the notice for approval by the members.

ITEM NO. 3 OF THE NOTICE

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Rules thereof including amendments thereunder, and the Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company appointed, Ms. Smita Raichurkar (DIN: 08179533) as an Additional Director of the Company with effect from 27th January 2020.

In terms of the provisions of Section 161(1) of the Companies Act, 2013 and Rules thereof including amendments thereunder, Ms. Smita Raichurkar would hold office up to the date of this Annual General Meeting. She is proposed to be appointed as a Non-Executive Non-Independent Director with effect from 27th January 2020, pursuant to Section 149 (including other applicable provisions if any) of the Companies Act, 2013 and rules made thereunder. The Company has received a notice in writing from a

member under Section 160 of the Companies Act, 2013, proposing the candidature of Ms. Smita Raichurkar for the office of Director of the Company.

Ms. Smita Raichurkar (age 38 Years) is an Associate Member of the Institute of Company Secretaries of India, New Delhi, a graduate in law and postgraduate in Commerce. She is currently working as a Company Secretary of Kirloskar Oil Engines Limited (KOEL). She is associated with KOEL for more than 10 years and has handled assignments such as demerger, amalgamation, acquisitions, hive off and other corporate restructuring projects of the Company.

She does not hold any equity shares in the Company.

She is a member of the Audit Committee and Nomination and Remuneration Committee and Chairperson of Stakeholders' Relationship Committee of the Company with effect from 27th January 2020.

She is also a Director in Kirloskar Management Services Pvt. Ltd.

She is neither a Member nor a Chairman of the Committees in the other Public Limited Companies.

She is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a director.

She has attended 1 meeting of the Board of Directors of the Company during the Financial Year 2019-20.

The Board is of the opinion that Ms. Smita Raichurkar possesses appropriate balance of skills, experience and knowledge to enable the Board to discharge its functions and duties effectively. The Board considers that her experience and expertise would be of immense benefit to the Company and it is desirable to appoint Ms. Smita Raichurkar as a Non-Executive Director.

Except Ms. Smita Raichurkar and her relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out at Item no. 3 of the notice for approval of members of the Company.

ITEM NO. 4 OF THE NOTICE

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Rules thereof including amendments thereunder, the Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company appointed, Mr. Chinmay Bhandari (DIN: 07843049) as an Additional Director of the Company with effect from 27th January 2020.

In terms of the provisions of Section 161(1) of the Companies Act, 2013 and Rules thereof including amendments thereunder, Mr. Chinmay Bhandari (DIN: 07843049) would hold office up to the date of this Annual General Meeting. He is also proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years with effect from 27th January 2020, pursuant to Section 149 (including other applicable provisions if any) of the Companies Act, 2013 and Rules thereof including amendments thereunder, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, including amendments thereunder and based on the recommendation of Nomination and Remuneration Committee. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 and Rules thereof including amendments thereunder, proposing the candidature of Mr. Chinmay Bhandari (DIN: 07843049) for the office of Director of the Company.

Mr. Chinmay Bhandari (Age 32 years) is an alumnus of the University of Sheffield; Chinmay Bhandari is a first-generation entrepreneur. He focuses on the application of technologies for solving critical challenges, especially in the Indian context. He has helmed large scale heritage modernisation and business automation projects. His current projects include AI solutions for healthcare and the application of block chain in the socio-economic sphere.

He does not hold any shares in the Company.

He is a member of the Audit Committee and Nomination and Remuneration Committee of the Company with effect from 27th January 2020.

He is director in the following other companies:

Name of the Company	Board Position Held	Committee Membership
Matra Media and Communication Pvt. Ltd.	Director	-
Dawon Tech Solutions Pvt. Ltd.	Director	-
Bhumigyan Foundation	Director	-

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He has attended 1 meeting of the Board of Directors of the Company during the Financial Year 2019-20.

He is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and Rules thereof including amendments thereunder and has given her consent to act as a director.

The Company has also received declaration from Mr. Chinmay Bhandari (DIN: 07843049) that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules thereof including amendments thereunder and Regulation 16 (1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments thereunder.

The Board is of the opinion that Mr. Chinmay Bhandari (DIN: 07843049) fulfills the conditions specified in the said Act and the Rules made thereunder and also possess requisite expertise and experience (including the proficiency) and he is a person of high integrity and repute to enable the Board to discharge its functions and duties effectively and he is independent of the management.

The Board considers that his experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Mr. Chinmay Bhandari (DIN: 07843049) as an Independent Director for a term of 5 (Five) consecutive years with effect from 27th January 2020.

The draft letter for the appointment of Mr. Chinmay Bhandari (DIN: 07843049) as an Independent Director setting out the terms and conditions is available for inspection by the members.

Except Mr. Chinmay Bhandari (DIN: 07843049) and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item no. 4 of the notice for approval of members of the Company.

Board's Report for the Financial Year 2019-20

To the Members,

G. G. DANDEKAR MACHINE WORKS LIMITED

Your Directors have pleasure in presenting the 81st Annual Report with the Audited Annual Accounts of the Company for the year ending 31st March 2020.

FINANCIAL PERFORMANCE (Standalone)

(Amt in Rs. Lakhs)

Particulars	2019-20	2018-19
Total Income	459.55	532.55
Profit/(Loss) before exceptional items and tax	(366.79)	(416.61)
Exceptional Items	-	-
Profit before tax	(366.79)	(416.61)
Tax Expense (Current and Deferred Tax)	(25.99)	(0.26)
Net Profit/(Loss) for the period	(340.80)	(416.35)
Other Comprehensive Income	(250.45)	(79.42)
Total Comprehensive Income for the year, net of tax	(591.25)	(495.77)

FINANCIAL PERFORMANCE (Consolidated)

(Amt in Rs. Lakhs)

Particulars	2019-20	2018-19
Total Income	459.55	532.55
Profit/(Loss) before exceptional items and tax	(366.79)	(416.61)
Exceptional Items	-	-
Profit before tax	(366.79)	(416.61)
Tax Expense (Current and Deferred Tax)	(25.99)	(0.26)
Net Profit/(Loss) after Tax	(340.80)	(416.35)
Share of Profit of Associate Company	1.1	-
Net Profit/(Loss) for the period for the period	(339.69)	(416.35)
Other Comprehensive Income	(250.45)	(79.42)
Total Comprehensive Income for the year, net of tax	(590.14)	(495.77)

DIVIDEND

Your Directors do not recommend any dividend for the financial year 2019-20.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

1. This section includes discussion on the following matters within the limits set by the Company's Competitive position:

(A) INDIAN ECONOMY

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

India's gross domestic product (GDP) (at constant 2011-12 prices) was estimated to be Rs 145.65 lakh crore (US\$ 2.06 trillion) for 2019-20, growing 4.2% against 6.1% expansion in 2018-19. Economic growth slowed to an 11-year low of 4.2% in 2019-20, according to data released by the National Statistical Office. In the final quarter of the year, that is, January-March, the growth rate of Gross Domestic Product (GDP) fell to 3.1%, reflecting the impact of the COVID-19 lockdown.

Although this is the lowest growth rate in the last 44 quarters, it is still higher than the 2.2% growth predicted by most economists and ratings analysts. Agriculture and government expenditure have been the saviours.

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Agriculture sector picked up steam in the fourth quarter, growing at rates of 5.9%, even while the manufacturing sector contracted further, recording a negative growth of 1.4%. During 2019-20 crop year, food grain production was estimated to reach a record 295.67 million tonnes (MT). In 2020-21, Government of India is targeting food grain production of 298 MT. The Government has also decided to enhance farm power availability from 2.02 kW per ha (2016-17) to 4.0 kW per ha by the end of 2030 to cope up with increasing demand for food grains.

It will surely propel Agriculture mechanization, it is an essential input to modern agriculture to increase the productivity by making judicious use of other inputs and natural resources etc. The onus rests on mechanization of production and post harvesting operations. It will give boost to the grain processing machinery business address by the company.

(B) INDUSTRY STRUCTURE AND DEVELOPMENT

The India rice milling market is expected to value an estimated USD 392.6 million by the end of 2022 and witness a steady CAGR of 3.51% during the period of 2016 - 2022. The high production of rice in this region and increasing demand for good quality rice are some key drivers for the growth of the rice milling market in India. Also the rise in urbanization, nuclear family and working husband-wife culture has shifted purchasing habits from loose grain to packaged ready to use Rice and it is generating demand for modern rice milling machinery market in India.

The Company's main business is to manufacture Grain Processing Machineries especially for Rice Milling. The mechanized rice milling was introduced by the company and over the period its products are benchmark by the Rice Milling industry. The company has addressed post-harvest processing of rice with "Farm to Plate" concept.

(C) OPPORTUNITIES AND THREATS

The demand for rice is increasing with the rise in population, which has encouraged many rice processing companies to expand production by opening new rice processing plants, which in turn, is propelling the demand for rice milling machinery. Thus, the expansion of rice processing plants is expected to drive market growth and provides ample business opportunities for the company. However, nutrient deficiency in milled rice compared with other rice types may impede market growth.

The recent change in political scene has started making impact on imports from China. Over the period, many Chinese product companies have created their foothold in Indian Rice Milling Machinery market through aggressive pricing policies. Over the period many customers have used these machines however later made up their mind to switch back to Indian manufacturers for quality, prompt service and assured consistent performance. This change will work in favour of Indian manufacturers manufacturing traditional machineries.

Sensing the shift in the market, the company has consolidated its business in traditional machinery and is working on development of machinery with latest technology. The Company always had a focus on Research & Development activities and has successfully upgraded traditional products.

The company has also taken steps to compliment its existing Rice Milling Machinery business by adding machinery and project business for other food grains like pulses, millets, wheat etc. For addressing this huge market potential, the company has entered in to a joint venture with a team of experts, these knowledgeable partners bring in with them technical knowledge and a rich experience in this field. The company's legacy, customer base and new teams experience in grain processing field will give an edge to the company over competition.

New Joint Venture Company has started its operation and is getting good response from the Indian as well as overseas customers. To meet growing demand the company has decided to manufacture and supply rice milling machineries to Joint Venture Company. Henceforth Joint Venture Company will be the main customer for the company. It gives advantage to the company as it can now focus on manufacturing activities. However it will be dependent on Joint Venture Company for orders as well as market inputs.

The company has gone through a painful lockdown process due to the COVID-19 pandemic. It resulted in closure of its operations. It is difficult to estimate the future impact of COVID-19 on the company's operations. While the Company continues to take action to mitigate the impact of the Coronavirus on its business, at this juncture it is difficult to predict the impact of COVID-19 on the operation of the Company, as the nature and duration of the problem is dynamic.

(D) SEGMENT-WISE PERFORMANCE OR PRODUCT-WISE PERFORMANCE

The Company has maintained its customer base and leadership in traditional flagship products like Dandekar Cone Polishers and Table Type Paddy Separator. The company has done major business in Cleaning, Polishing and Grading section. Other than Rice the company's products are preferred for Millets and Wheat processing.

(E) OUTLOOK

The Rice production in India in 2019-20 is put at 117.94 million tonnes. India is the world's leading exporter of rice at a forecast 10.4 million tonnes for 2019-20 up from 9.9 million in 2018-19. The non-basmati exports have rebounded. He attributed to demand from traditional buyers in the African region owing to a surge in Thai rice prices for such an increase. Apart from this, the non-basmati rice shipments have picked up in Malaysia, Philippines, and Russia for food security reasons. The competitive prices, abundant production, and favourable currency have contributed to the jump in exports.

The Indian rice market is the second-largest globally and is currently more advanced than the Chinese market, making it a primary target market for all players. A global and local increase in population has led to a higher production of rice in the country to meet both domestic and export demands. The regions favorable climate for growing rice crops, supportive government policies regarding agriculture and the importance of rice as a staple in the Indian diet are some factors that promote the consistent upward growth of the market. The government has also expanded food security programs to ensure the supply of rice to the poorer parts of the population and has procured around 30% to 35% of total rice production in recent years.

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing, grain processing facilities and cold storage. Normally the farmers after harvest sell their product to traders without any further processing. Even a mere primary processing like cleaning and grading will give higher price to the farmers. The government focus on grain processing sector will boost demand for the company's products.

Furthermore, India is expected to be self-sufficient in pulses in the coming few years due to concerted effort of scientists to get early maturing varieties of pulses and the increase in minimum support price. It will generate good business opportunities for the company through its Joint Venture Company.

The monsoon forecast is critical to India's food production and GDP growth. The India Meteorological Department (IMD) has predicted a normal monsoon. The southwest monsoon this year will be 100 per cent of the long period average (LPA), spelling some cheer for the country's agriculture sector amid the Covid-19 lockdown. This could improve overall economic growth, especially at a time when agriculture is expected to be the only bright spot for India in 2020-21. The growth agriculture sector creates more opportunities for the company's growth through increase in demand for its products.

A well-developed food processing sector with higher level of processing helps in the reduction of wastage, improves value addition, ensures better return to the farmers, promotes employment as well as increases export earnings. Growth in the food processing sector is also expected to open up opportunities for players having strong linkages in the agri-value chain. The company will benefit from these positive factors leading to good demand for grain processing machineries.

(F) RISK AND CONCERNS

Risks of critical importance have been identified over a period of time. These risks are ranked on the basis of their impact on company's business and likelihood of their occurrence. A cross functional team takes stock of these risks and calls for necessary measures to mitigate the risks from the concerned risk owners. The risk owners then produce action plans for risk mitigation which is then evaluated by the team. New risks are added with the changes in economic and market scenarios and undergo the same process.

Identified risks include:

- Many of the smaller Rice mills do not benefit from modern milling solutions due to their existing infrastructure, limited capacity and lack of finance to reinvest. Such mills are forced to opt for cheap and poor-performing machinery. Limited business opportunities with such Rice mills.
- Rise in low cost - low quality machinery manufacturers, dividing existing business amongst many smaller suppliers.
- A significant portion of the company's revenue is generated from sales of grain processing machineries and slowdown in the agricultural sector may affect the demand for machineries.

(G) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. An Internal Auditor has been appointed for this purpose. The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

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(H) COMPANY'S FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the financial year under review, your company has achieved turnover of Rs.420.62 Lakhs (previous year Rs. 476.84 Lakhs). The Loss before exceptional items and tax for the period is Rs. 366.79 Lakhs (as against Loss of Rs. 416.61 Lakhs during FY 2018-19). The net loss for the period is Rs. 591.25 Lakhs (as against net loss Rs. 495.77 Lakhs during FY 2018-19).

(I) MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FORMAT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company seeks to recruit and retain quality industry professionals and provide them with a high performance environment.

During the financial year, total workforce of the Company stands at 64.

(J) ENVIRONMENT

The Company takes due care in the selection and usage of appropriate material and methods in order to avoid violation of norms formulated to safeguard the environment.

(K) CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

(L) LISTING FEES

The annual listing fees for the year under review have been paid to BSE Limited, where your Company's shares are listed.

(M) COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March 2020, the Company has consolidated the accounts by taking in to consideration the financials of M/s. Navasasyam Dandekar Private Limited.

The Board presents Audited Standalone Consolidated Financial Statements as prepared in compliance with the Indian Accounting Standards and the Listing Regulations.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

Details of significant changes, i.e., change of 25% or more, as compared to the immediately previous Financial Year in key financial ratio, along with detailed explanation therefore:

Sr. No.	Particulars	Ratio as on 31 March 2020	Ratio as on 31 March 2019	% of Change	Explanation, if any
i.	Debtors' Turnover	11.37	15.45	16.49%	
ii.	Inventory Turnover	1.87	2.33	(19.74)%	
iii.	Interest Coverage Ratio	NA	NA	NA	The Company does not have any interest cost.
iv.	Current Ratio	0.98	0.94	4.25%	
v.	Debt Equity Ratio	NA	NA	NA	The Company does not have any borrowings.
vi.	Operating Profit Margin (%)	(74.15)	(87.37)	(15.13)%	
vii.	Net Profit Margin (%)	(20.09)	(87.13)	(76.94)%	The company has undertaken cost optimization measures.

RETURN ON NET WORTH:

Details of change in Return on Net Worth as compared to the immediately previous Financial Year as follows:

Sr. No.	Particulars	Ratio as on 31 March 2020 in	Ratio as on 31 March 2019 in	% of Change	Explanations
1	Net Worth	(16.83)	(11.79)	0.42%	

PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**EXTRACT OF ANNUAL RETURN:**

As required under Section 134(3)(a) of the Act, read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual return in the prescribed form is attached as '**Annexure I**' to this Report.

NUMBER OF MEETINGS OF THE BOARD:

During the year under review, Five (5) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Act, in respect of Directors' Responsibility Statement, your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31st March 2020, the applicable accounting standards had been followed and there were no material departures from the applicable accounting standards;
- b) accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2020 and of the loss of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Financial Statements have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

DECLARATION BY THE INDEPENDENT DIRECTORS

The Company has received necessary declaration from all Independent Directors under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 that they meet the criteria of independence as laid down.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board had on the recommendation of the Nomination and Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel and their remuneration. The policy is appended as '**Annexure II**' to this Report.

AUDITORS**a. Statutory Auditors**

As per the provisions of Section 139 of Companies Act 2013, M/s Kulkarni Soman & Associates, Chartered Accountants, Pune were appointed in the 80th AGM held on 27.09.2019 for a period of five years. The tenure of the Auditors would be completed on the conclusion of the 85th Annual General Meeting as contemplated by the provisions of Section 139 of the Companies Act, 2013.

The Company has received necessary certificate from the Statutory Auditors as required under Section 139(1) of the Companies Act, 2013 stating that their appointment is in accordance with the provisions of Companies Act, 2013 and SEBI Listing Regulations.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Mahesh Athavale, Practicing Company Secretary (Membership No. FCS 2412 CP No. 1488), to undertake the Secretarial Audit of the Company.

c. Cost Auditor

As per the provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder, the Company is not required to maintain cost records and appoint cost auditor.

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EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDIT REPORT:

There are no qualifications, reservations, or adverse remarks or disclaimers made by M/s. Kulkarni Soman & Associates, Statutory Auditors, in their Audit report. Mr. Mahesh Athavale, Company Secretary in Practice in his Secretarial Audit Report has provided the following observations and remarks:

1. There was a delay in transferring the unpaid dividend amount of FY 2010-11 lying with the Company to the Investor Education and Protection Fund (IEPF) as required under Section 124 and Section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016.
2. The Company could not comply with the provisions about constitution of the Audit Committee and Nomination and Remuneration Committee during the period of 26 days, from December 31, 2019 to January 26, 2020, due to resignation of a director.
3. The company did not have women director during the period September 11, 2019 to January 26, 2020 due to resignation of a women director.
4. The Company did not have a Company Secretary during the period March 10, 2020 to June 15, 2020, due to resignation of the then Company Secretary

Reply:

1. Considering the reconciliation issues with Bank in relation to balance in Unpaid Dividend Account, there was a delay to comply with Section 124 and Section 125 of the Companies Act, 2013, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016. However, Company has transferred Unpaid Dividend of FY 2010-11 lying with the Company to IEPF along with corresponding equity shares as on the date of this Report.
2. Mr. Madhav Chandrachud resigned as a Director from December 30, 2019. Thereafter, a meeting of the Board of Directors was held on January 27, 2020, wherein the Audit Committee and Nomination and Remuneration Committee were reconstituted.
3. Mrs. Savita P. Sahasrabudhe was appointed as Independent Director for 5 years from September 11, 2014. Her tenure completed on September 10, 2019. Thereafter, Ms. Smita Raichurkar was appointed as Additional (Non-Executive) Director from January 27, 2020.
4. Mr. Ajay Shrivastava resigned as the Company Secretary from the closing of business hours on March 9, 2020. Thereafter, Company has appointed Ms. Sayalee Yengul as the Company Secretary from June 15, 2020.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company has not given any loan or guarantee or security as contemplated by Section 186 of the Companies Act, 2013 during the financial year under review. Company has made the following investments during the financial year under review.

Sr. No.	Name of Investee Entity	Number of Equity Shares	Face Value of Shares (Rs)	Total Amount Invested (Rs.)
1	Navasasyam Dandekar Private Limited (Incorporated on 29.11.2019)	49,000	1.00	49,000.00
2	Kirloskar Management Services Private Limited (Incorporated on 27.01.2020)	3,75,000	10.00	37,50,000.00
	Total	-	-	37,99,000.00

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

The contracts or arrangements entered into by the Company with Related Parties during the financial year 2019-2020 were at arm's length and in the ordinary course of business. Hence, no particulars are being provided in Form AOC-2. None of the related party transactions entered into by the Company, were materially significant requiring members' approval under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereunder.

The policy on Related Party Transactions as adopted by the Board is uploaded on the Company's website. The disclosures as per IND-AS 24 for transactions with related parties are provided in the Financial Statements of the Company.

STATE OF COMPANY'S AFFAIRS:

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis Report.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES:

Particulars of the amounts proposed to be carried to reserves have been covered in Notes to the financial statements of the company.

MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT:

The material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report are covered in the Management Discussion and Analysis Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**A. Conservation of energy and Technology Absorption:**

Pursuant to Section 134 (3) (m) of the Act read with Rules there under, the report regarding conservation of energy, technology absorption is annexed herewith as 'Annexure IV'

B. Foreign exchange earnings and Outgo:

Sr. No.	Particulars	2019-20	2018-19
i)	Foreign Exchange earned in terms of actual inflows during the year	Nil	Nil
ii)	Foreign Exchange outgo during the year in terms of actual outflows	Nil	Nil

RISK MANAGEMENT POLICY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through risk mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company from time to time.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As Net worth of the Company is not more than Rs. 500 crore, its turnover is not more than Rs. 1000 crore and its net profit is not more than Rs. 5 crore, consequently the provisions of section 135 of the Companies Act, 2013 are not applicable to the Company. The Company is not required to constitute the Corporate Social Responsibility, frame the CSR policy or spend the amount on CSR.

BOARD EVALUATION:

Pursuant to provisions of the section 134(3)(p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, annual performance evaluation of Directors as well as of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee of the Board has been carried out.

The performance evaluation of the Independent Directors was carried out by the entire Board and the Performance Evaluation of Chairman and Non-Independent Directors was carried out by the Independent Directors.

The manner in which the evaluation has been carried out has been provided in the Corporate Governance Report.

DETAILS OF SUBSIDIARIES, JOINT VENTURES (JV) OR ASSOCIATE COMPANIES (AC):

Your Company has an associate company, Navasasyam Dandekar Private Limited w.e.f. 29.11.2019.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

Your Company has a business tie-up with a team of experts in grain processing technology and formed a Joint Venture Company (JVC) with a capital contribution of INR 49,000/- for 49% of stake in the JVC.

The JVC has been incorporated in the name of 'Navasasyam Dandekar Private Limited' on 29.11.2019.

The JVC has through a slump sale transaction acquired certain movable fixed assets, current assets, and current liabilities at their book values, for an aggregate consideration of INR 9,33,460/-, from Navasasyam Processing Equipment Private Limited (NPEPL) and Miror International Private Limited (MIPL). It has started its commercial operations from 01.01.2020.

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The terms of the prospective business transactions with the JVC including the pricing formula for sale of equipment and spare parts to JVC was finalized and approved by the Audit Committee and Board of Directors.

The JVC has placed Purchase Orders on the company and the company has started working on these orders.

The Company has received audited financial results from JVC as on 31st March 2020 and the same are consolidated with the company's financial result for the first time. JVC has clocked a turnover of INR 2.80 crores in the financial year ended on March 31st 2020, and turned in a profit before tax of INR 2.72 lakhs in just 3 months of business activity.

The JVC has its registered office in Pune with branch offices in Mumbai, Bangalore & Nagpur.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

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

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL APPOINTED/ RESIGNED DURING THE YEAR 2019-20:

During the year under review:

Mr. Rajesh D. Phadke (DIN: 02749329), Non-Executive and Independent Director resigned w.e.f. 16.05.2019, Mr. Pawan J. Rathi (DIN: 06669485) was appointed as Non-Executive and Independent Director w.e.f. 16.05.2019, Mrs. Savita Sahasrabudhe (DIN: 06926402) ceased to be a Non-Executive and Independent Woman Director on 10.09.2019 due to completion of term of appointment, Mr. Madhav Chandrachud (DIN: 06419028) Non-Executive and Non-Independent Director resigned w.e.f. 30.12.2019, Ms. Smita Raichurkar (DIN: 08179533) was appointed as Additional (Non-Executive and Non Independent) Director w.e.f. 27.01.2020 and Mr. Chinmay Bhandari (DIN: 07843049) was appointed as Additional (Non-Executive and Independent) Director w.e.f. 27.01.2020

Mr. Ajay Shrivastava was appointed and designated as Company Secretary and Compliance Officer of the Company w.e.f. February 14, 2019 and subsequently resigned from the office of Company Secretary and Compliance Officer of the Company w.e.f. March 9, 2020. The Company has thereafter appointed Ms. Sayalee Yengul as Company Secretary and Compliance Officer of the Company w.e.f. June 15, 2020.

Mr. Mahavir Barlotia was appointed as Chief Financial Officer of the Company w.e.f. February 14, 2019 and subsequently resigned from his post w.e.f. March 14, 2019 and in his place Mr. Shishir Panse is appointed as Chief Financial Officer of the Company w.e.f. June 15, 2020.

DIRECTOR(S) PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING

Mr. Nihal Kulkarni (DIN:01139147), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Company has also received the requisite disclosure / declaration from Mr. Nihal Kulkarni.

Considering the same, the Board recommends the Ordinary resolution for his re-appointment as Non-Executive Director.

Mrs. Smita Raichurkar (DIN 08179533) was appointed as an Additional Director (Non-Executive and Non Independent) on 27th January, 2020 on the recommendation of the Nomination and Remuneration Committee, who shall hold office till the conclusion of the ensuing Annual General Meeting. The Board considering her knowledge about statutory and regulatory laws, expertise and experience in developing and implementing Risk Management and Compliance Management system, considered her appointment as Non-Executive Non-Independent Director of the Company liable to retire by rotation.

Considering recommendation of Nomination and Remuneration Committee and performance of Ms. Smita Raichurkar, the Board of Directors of the Company has requested to the members for her appointment as Non-Executive Non Independent Director liable to retire by rotation.

The Board recommends the Ordinary resolution for her appointment as Non-Executive Non-Independent Director.

Mr. Chinmay Bhandari (DIN 07843049) was appointed as an Additional Director (Non-Executive and Independent) on 27th January, 2020 on the recommendation of the Nomination and Remuneration Committee, who shall hold office till the conclusion of the ensuing Annual General Meeting. The Board considering his expertise, knowledge and experience in management, research and development & Information Technology, considered his appointment as Non-Executive Independent Director of the Company for a period of 5 (five) years with effect from 27th January 2020 till 26th January 2025.

Considering recommendation of Nomination and Remuneration Committee and performance of Mr. Chinmay Bhandari, the Board of Directors of the Company has requested to the members for his appointment as Independent Director for a term of 5 years as per applicable provisions of Companies Act, 2013.

Considering the same, the Board recommends the Special resolution for his appointment as Independent Director.

The brief resumes and other details relating to Director(s) who are proposed to be appointed, as required to be disclosed under

Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Explanatory Statement to the Notice of the Annual General Meeting.

The resolutions seeking approval of members for the appointment of these Directors have been incorporated in the Notice of the forthcoming Annual General Meeting of the Company.

DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013:

Your Company has not accepted any deposits under the provisions of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 as amended from the public, or its employees etc. during the year under review.

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

The Company has not received any order from Regulators, Courts or Tribunals during the year, which may impact the Going Concern Status or the Company's operations in future.

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

The Company has in place adequate internal financial controls with reference to financial statements.

Regular management oversight and rigorous periodic testing of internal controls makes the internal controls environment strong at the Company. The Audit Committee along with Management oversees results of the internal audit and reviews implementation on a regular basis.

BOARD COMMITTEES:

Your Company has in place the following Committees under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are currently three committees of the Board, namely:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee.

Details of the Committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this Report.

INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The relevant information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed at '**Annexure V**' to this report.

VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism ('the Policy'). This provides a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The policy has also been uploaded on the Company's website.

CASH FLOW

A cash flow statement for the year ended 31st March 2020 is attached to the Balance Sheet as a part of Financial Statements.

CORPORATE GOVERNANCE:

In terms of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance, along with the Certificate of Compliance from the Secretarial Auditors, forms part of the Annual Report.

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 & Redressal) Act, 2013.

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Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaints were received during the year 2019-20.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars of employees pursuant to section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

The information as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any member of the Company. In terms of Section 136(1) of the Companies Act, 2013, the Report and the Accounts are being sent to the members excluding the said Annexure. Any member interested in obtaining copy of the same may write to the Company Secretary at the Registered Office of the Company.

DISCLOSURE OF REMUNERATION OR COMMISSION RECEIVED BY A MANAGING OR WHOLE-TIME DIRECTOR FROM THE COMPANY'S HOLDING OR SUBSIDIARY COMPANY:

There were no instances of receiving remuneration or commission by a Managing or Whole time Director of the company from its holding or subsidiary company during the FY 2019-20 requiring the disclosure under section 197(14) of the Companies Act, 2013.

EVENT BASED DISCLOSURES IN DIRECTORS REPORT:

The Company has not issued any shares with differential voting rights or Sweat Equity shares or shares under ESOP. The Company has not provided any money to its employees for purchase of its own shares hence the company has nothing to report in respect of Rule 4(4), Rule 12(9) and Rule 16 of the Companies (Share Capital & Debentures) Rules, 2014.

SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report submitted by Company Secretary in Practice according to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as a part of this report as '**Annexure III**'.

ACKNOWLEDGMENTS

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

For and on behalf of the Board of Directors

Sd/-

Nihal G. Kulkarni
(DIN: 01139147)
Chairman

Place: Pune
Date: 25th August 2020

ANNEXURE I TO THE BOARD'S REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN:
AS AT FINANCIAL YEAR ENDED 31st MARCH, 2020

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

I. REGISTRATION AND OTHER DETAILS

CIN	L99999MH1938PLC002869
Registration Date	8 th December 1938
Name of the Company	G. G. Dandekar Machine Works Limited
Category / Sub-Category of the Company	Company limited by shares / Non-govt company
Address of the Registered Office and contact details	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tah. Hingna, Dist. Nagpur 441122 Tel: +91(07103) 295109 Website: www.ggdandekar.com
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited "Akshay" Complex, Block No. 202, 2nd Floor, Near Ganesh Temple, Off. Dhole Patil Road, Pune 411 001 Tel: +91(20) 26161629 / 26160084 Fax: +91(20) 26163503 Email: pune@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Food Processing Machinery	28252	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary Associate	% of shares held	Applicable/ Section
1.	Navasasyam Dandekar Private Limited, Sr. No.1479, Flat No. 405, Status Point, Tilak Road, Sadashiv Peth, Pune 411030 Maharashtra	U29309PN2019 PTC188112	Associate Company	49%	2(6)

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

i) Category-wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual / Hindu Undivided Family	28,66,320	0	28,66,320	60.20	28,66,320	0	28,66,320	60.20	0.00
b. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c. State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corporates	150	0	150	0.00	150	0	150	0.00	0.00
e. Bank / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
f. Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1) :-	28,66,470	0	28,66,470	60.20	28,66,470	0	28,66,470	60.20	0.00
(2) Foreign									
a. Non Resident Indians - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b. Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d. Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e. Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	28,66,470	0	28,66,470	60.20	28,66,470	0	28,66,470	60.20	0.00
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b. Banks / Financial Institutions	900	0	900	0.02	0	0	0	0.00	(0.02)
c. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d. State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

f. Insurance Companies	1,35,680	0	1,35,680	2.85	1,35,680	0	1,35,680	2.85	0.00
g. Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i. Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	1,36,580	0	1,36,580	2.87	1,35,680	0	1,35,680	2.85	(0.02)
2. Non - Institutions									
a. Bodies Corporate									
Indian	3,01,363	6,300	3,07,663	6.46	2,93,603	5,850	2,99,453	6.29	(0.17)
ii. Overseas	0	0	0	0.00	0	0	0	0.00	0.00
a. Individuals									
i. Individual shareholders holding nominal share capital up to Rs. 2 Lakh	10,09,999	2,19,246	12,29,245	25.82	10,37,711	1,94,726	12,32,437	25.89	0.07
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	0	0	0	0.00	0	0	0	0.00	0.00
b. Others (Specify)									
a. IEPF	57,904	0	57,904	1.22	81,444	0	81,444	1.71	0.49
b. HUF	55,604	0	55,604	1.17	63,461	0	63,461	1.33	0.16
c. Clearing members	24,861	0	24,861	0.52	330	0	330	0.01	(0.51)
d. NRI (Repatriate)	65,202	0	65,202	1.37	64,269	0	64,269	1.35	(0.02)
e. NRI (Non-Repatriate)	11,558	6,300	17,858	0.38	11,543	6,300	17,843	0.37	(0.01)
Sub-total (B)(2)-	15,26,491	2,31,846	17,58,337	36.93	15,52,361	2,06,876	17,59,237	36.95	0.02
Total Public Shareholding (B) = (B) (1)+ (B) (2)	16,63,071	2,31,846	18,94,917	39.80	16,88,041	2,06,876	18,94,917	39.80	0.00
C. Shares held by custodian for GDRs and ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	45,29,541	2,31,846	47,61,387	100.00	45,54,511	2,06,876	47,61,387	100.00	0.00

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(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1	Atul C. Kirloskar	5,61,140	11.79	0.00	5,61,140	11.79	0	0.00
2	Sanjay C. Kirloskar	360	0.01	0.00	360	0.01	0	0.00
3	Rahul C. Kirloskar	5,50,180	11.56	0.00	5,50,180	11.56	0	0.00
4	Arti A. Kirloskar	4,00,000	8.40	0.00	4,00,000	8.40	0	0.00
5	Alpana R. Kirloskar	4,00,000	8.40	0.00	4,00,000	8.40	0	0.00
6	Jyotsna G. Kulkarni	9,54,280	20.04	0.00	9,54,280	20.04	0	0.00
7	Mrinalini S. Kirloskar	180	0.00	0.00	180	0.00	0	0.00
8	Vikram S. Kirloskar	90	0.00	0.00	90	0.00	0	0.00
9	Roopa J. Gupta	90	0.00	0.00	90	0.00	0	0.00
10	Alpak Investments Pvt. Ltd.	50	0.00	0.00	50	0.00	0	0.00
11	Navsai Investments Pvt. Ltd.	50	0.00	0.00	50	0.00	0	0.00
12	Achyut and Neeta Holding and Finance Pvt. Ltd.	50	0.00	0.00	50	0.00	0	0.00

Note: In case of Joint holding, name of first holder is considered.

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

During the year under review, there has been no change in the Shareholding of Promoters'.

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

Sr. No	For each of the Top 10 Shareholders	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	K. V.Developmentand Investment Co. Pvt. Ltd.					
	At the beginning of the year of the year (01.04.2019)		2,68,664	5.64	2,68,664	5.64
	Decrease, if any	No change	0	0.00	0	0.00
	Increase, if any	No change	0	0.00	0	0.00
	At the end of the year (31.03.2020)		2,68,664	5.64	2,68,664	5.64
2.	The Oriental Insurance Co. Ltd					
	At the beginning of the year of the year (01.04.2019)		1,35,680	2.85	1,35,680	2.85
	Decrease, if any	No change	0	0.00	0	0.00
	Increase, if any	No change	0	0.00	0	0.00
	At the end of the year (31.03.2020)		1,35,680	2.85	1,35,680	2.85
3.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs					
	At the beginning of the year of the year (01.04.2019)		57,904	1.22	57,904	1.22
	Decrease, if any -	-	-	-	-	-
	Increase, if any	Transfer	23,540	0.49	23,540	0.49
	At the end of the year (31.03.2020)		81,444	1.71	81,444	1.71
4.	Krishna Kumar Dharamshi Somaiya					
	At the beginning of the year of the year (01.04.2019)		62,025	1.30	62,025	1.30
	Decrease, if any	No Change	0	0.00	0	0.00
	Increase, if any	No Change	0	0.00	0	0.00
	At the end of the year (31.03.2020)		62,025	1.30	62,025	1.30
5.	Bakre Ajay Shaligram					
	At the beginning of the year of the year (01.04.2019)		43,005	0.90	43,005	0.90
	Decrease, if any No change	No change	0	0.00	0	0.00
	Increase, if any Transfer (Buy)	Transfer (Buy)	11,544	0.25	11,544	0.25
	At the end of the year (31.03.2020)		54,549	1.15	54,549	1.15

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6.	Devkishan Chitlangia					
	At the beginning of the year of the year (01.04.2019)		43,974	0.92	43,974	0.92
	Decrease, if any	No Change	0	0.00	0	0.00
	Increase, if any	Transfer (Buy)	3,739	0.07	3,739	0.07
	At the end of the year (31.03.2020)		47,713	1.00	47,713	1.00
7.	K V Deodhar					
	At the beginning of the year of the year (01.04.2019)		42,840	0.89	42,840	0.89
	Decrease, if any	No Change	0	0.00	0	0.00
	Increase, if any	No Change	0	0.00	0	0.00
	At the end of the year (31.03.2020)		42,840	0.89	42,840	0.89
8.	Minoo Babu					
	At the beginning of the year of the year (01.04.2019)		25,700	0.54	25,700	0.54
	Decrease, if any	No Change	0	0.00	0	0.00
	Increase, if any	Transfer (Buy)	4,300	0.09	4,300	0.09
	At the end of the year (31.03.2020)		30,000	0.63	30,000	0.63
9.	Shivanand Ramkrishna Prabhu					
	At the beginning of the year of the year (01.04.2019)		23,350	0.49	23,350	0.49
	Decrease, if any	No Change	0	0.00	0	0.00
	Increase, if any	Transfer (Buy)	150	0.00	0	0.00
	At the end of the year (31.03.2020)		23,500	0.49	23,500	0.49
10.	Ramesh Shantilal Tolat					
	At the beginning of the year of the year (01.04.2019)		20,600	0.43	20,600	0.43
	Decrease, if any	No Change	0	0.00	0	0.00
	Increase, if any	No Change	0	0.00	0	0.00
	At the end of the year (31.03.2020)		20,600	0.43	20,600	0.43

Note:

- In cases of joint holding, the name of the first holder is considered.
- The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived on the folio number listing provided by the Registrar and Transfer Agent of the Company.
- Since the shareholding of top ten shareholders are held in electronic form, it is not feasible to provide date-wise increase or decrease in the shareholding pattern of top ten shareholders during the financial year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Mangesh S. Joshi, Wholetime Director			-	-
	At the beginning of the year	1	0.00	1	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	No Change	No Change	No Change
	At the End of the year	1	0.00	1	0.00

Note: No other Director(s) or Key Managerial Personnel(s) hold any equity share of the Company.

V. INDEBTEDNESS**(Amt. in Rs.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
I. Principal Amount	0	0	1,06,000	1,06,000
ii. Interest due but not paid	0	0	0	0
liii. Interest accrued but not due	0	0	0	0
Total (i+ii+liii)	0	0	1,06,000	1,06,000
Changes in Indebtedness during the Financial Year				
I. Addition	-	0	0	0
ii Reduction	-	0	0	0
Net Change	0	0	0	00
Indebtedness at the end of Financial Year				
i. Principal Amount	0	0	1,06,000	1,06,000
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	1,06,000	1,06,000

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Name of Managing Director / Whole Time Director / Manager
		Mr. Mangesh S. Joshi Executive Director
1	Gross Salary	(Amount in `)
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	42,36,000
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	47,967
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	- as % of profit	
	- others, specify	
5	Others, please specify (Company's contribution towards PF)	1,44,000
	Total (A)	44,27,967

B. Remuneration to other Directors:

(Amount in ₹)

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. Rajesh D. Phadke	Mr. Saurabh B. Patwardhan	Mrs. Savita P. Sahasrabudhe	Mr. Pawan J. Rathi	Mr. Chinmay Bhandari	
Independent Directors						
Fee for attending board / committee meetings	15,000	35,000	30,000	75,000	15,000	1,70,000
Commission	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-
Total (1)	15,000	35,000	30,000	75,000	15,000	1,70,000
Other Non-Executive Directors	Mr. Nihal Kulkarni	Mr. Madhav R. Chandrachud	Ms. Smita A Raichurkar			
Fee for attending board / committee meetings	30,000	55,000	15,000	-	-	1,00,000
Commission	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-
Total (2)	30,000	55,000	15,000	-	-	1,00,000
Total (B) = (1 + 2)	45,000	90,000	45,000	75,000	15,000	2,70,000
Total Managerial Remuneration						2,70,000
Overall Ceiling as per the companies Act, 2013	` 1.00 lac sitting fees per meeting for each Director. However Board has approved ` 5000 as sitting fees per meeting for each Director.					

Note: Mr. Rajesh D. Phadke resigned w.e.f. 16.05.2019, Mr. Pawan J. Rathi (Non-Executive Independent Director) has been appointed w.e.f. 16.05.2019, Mr. Saurabh B. Patwardhan (Non-Executive Independent Director) has been re-appointed w.e.f. 11.09.2019, Tenure of Mrs. Savita P. Sahasrabudhe has completed from 10.09.2019, Mr. Chinmay Bhandari (Additional Non-Executive Independent Director) has been appointed w.e.f. 27.01.2020 and Ms. Smita A Raichurkar (Additional Non-Executive Director) has been appointed w.e.f. 27.01.2020.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE TIME DIRECTOR

(Amount in ₹)

Sr. No	Particulars of Remuneration	Mr. Mahavir Y. Barlot** Chief Financial Officer	Mr. Ajay Shrivastava**, Company Secretary	Total
1	Gross Salary			
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	5,90,702	4,10,443	10,01,145
b)	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
c)	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify (contribution towards PF & FPF)	20,613	17,988	38,601
	Total	6,11,315	4,28,431	10,39,746

* Mr. Mahavir Barlot and Mr. Ajay Shrivastava resigned from the office of Chief Financial Officer and Company Secretary w.e.f.14th March, 2020 and 9th March, 2020 respectively.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

1. Company – NONE
2. Directors - NONE
3. Other officers in Default - NONE

ANNEXURE II TO THE DIRECTORS' REPORT

THE NOMINATION AND REMUNERATION POLICY

(As recommended by Nomination and Remuneration Committee and approved by Board)

PHILOSOPHY:

The Company strongly believes that the system of Corporate Governance protects the interest of all the stakeholders by inculcating transparent business operations and accountability from management towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations.

The Company is committed to provide employment to all eligible applicants on the principles of equality without any discrimination.

The employees have to strictly follow code of ethics and the management practices a zero tolerance for the same.

OBJECTIVE:

- To strike the right balance in the composition of the Board of Directors by ensuring experts from different spectrum of the existing and/or future business environment are co-opted on the Board to help the Company achieve its objectives, aspirations and growth potential.
- To implement a transparent process of determining remuneration at Board and Senior Management level of the Company that would strengthen confidence of stakeholders in the Company and its management and help in creation of long - term value for them.
- To strike appropriate balance between the elements comprising the remuneration so as to attract and retain potential high performing candidates for critical position in the Company for attaining continual growth in business.
- To ensure a direct relationship with the Key Result Areas and individual achievements considering short as well as long term performance objectives appropriate to the working of the Company and its goals.

COVERAGE:

A. Policy on Board Diversity and Term of Appointment of Independent Directors:

The Board of Directors shall comprise of persons who have expertise in the areas of business that the Company operates in and of such persons having expertise to help the Company to diversify its business at the appropriate times.

The Nomination and Remuneration Committee of the Board shall recommend persons with the requisite expertise to the Board of Directors for co-option on the Board, at its discretion.

The Independent Directors shall be appointed for two terms as follows:

- a. Existing or new Independent Directors below the age of 70, for one term of 5 consecutive years;
- b. Existing or new Independent Directors above the age of 70, for one term of such number of years as may be required for the said Independent Director to be 75 years of age;
- c. Existing Independent Directors between the age of 74 – 75 years, for one term of 2 consecutive years;
- d. New Independent Directors not falling under a to c above, for the first term of 5 consecutive years and for a second term of five consecutive years, subject to the result of the evaluation of their performance and also subject to the approval of the shareholders in the general meeting.

B. Guidelines of determining remuneration of:

- i. Executive Directors
- ii. Non Executive Directors
- iii. Key Managerial Personnel
- iv. Senior Management Personnel

I. DIRECTORS

i. Executive Directors:

The Board of Directors of the Company shall decide the remuneration of Executive Directors on the basis of recommendation from Nomination and Remuneration Committee (N&RC) subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder, including any amendments, modifications and re-enactments thereto ('the Act') and in compliance with the provisions of the Listing Regulations as applicable from time to time. The remuneration shall be approved by the shareholders of the Company, as and when required.

The Company shall enter into a contract with every executive director, which will set out the terms and conditions of the appointment. The contract shall be recommended by the N&RC and approved by the Board. The contract shall be maximum for such tenure as may be provided in the Act subject to such approvals as may be required.

The Board may vary any terms and conditions of the contract subject to such approvals, as may be required under the Act.

Every notice sent to the shareholder for seeking their approval for appointment / re-appointment / remuneration of the executive directors shall contain the gist of terms and conditions of the contract.

The remuneration components shall include inter alia:

a. Fixed salary:

Each Executive Director shall be paid fixed salary consisting of basic salary and such allowances and perquisites as may be decided by Board on the recommendation of the Nomination and Remuneration Committee.

OPTION 1: The revision in the salary may be annually done and shall be determined by the Board as per the appraisal of the performance of each executive director by the Board, subject to overall limit approved by the shareholders.

OPTION 2: The salary shall remain fixed for the term of the Executive Director.

b. Commission:

The Board may approve payment of commission subject to the provisions of the Act. The amount of commission to be paid to each of the executive director(s), shall be as recommended by the N&RC on the basis of performance evaluation carried out in respect of such executive director(s) under Section 178 of the Act and Listing Regulations.

c. Non-monetary benefits:

Executive directors may be entitled to club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bill, fully furnished accommodation (in case of use of own residential property for accommodation, house rent allowance shall be paid), furnishings, reimbursement of house maintenance expenditure, reimbursement of gas, electricity bill, water and other utilities and repairs at residence, reimbursement of medical expenditure, including domestic hospitalization expenses for self and family and leave travel assistance.

The executive directors may also be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance etc. or any other benefit as per Company policy.

d. Stock options:

Executive directors except promoter directors may be granted stock options as may be approved by the Board, if they are eligible as per existing or any scheme of stock options by the Company.

e. Compensation for loss of office may be paid as may be approved by the Board subject to the provisions of Section 202 of the Act.

f. Separation / Retirement benefits:

Executive Director shall be eligible to the following perquisites which shall be included in the computation of the ceiling on remuneration provided in the Act:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 or any amendment thereof;
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- (c) Encashment of leave at the end of the tenure.

In case of loss or inadequacy of profits of the Company, the aforesaid perquisites shall not be included in computation of the ceiling on remuneration provided in the Act.

ii. **Non Executive Directors:**

The Company shall issue a letter of engagement or appointment to every non executive director. The components of payment of remuneration to non-executive directors shall be as follows:

a. Sitting fees :

Sitting fees shall be paid for Board and / or any Committee meetings as well as for separate meeting of independent directors, attended by the directors. Different amount of sitting fees may be paid for different types of meetings.

G. G. DANDEKAR MACHINE WORKS LIMITED

Sitting fees shall be over and above the limits prescribed in the Act for payment of remuneration but shall not exceed the amount as may be prescribed in the Rules for independent and non independent directors.

The disclosure of the payment of sitting fees for all types of meetings shall be made in the Annual Report of the Company.

Committees shall include Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, or such other committees as may be constituted by the Board from time to time.

b. Commission

The Board may approve payment of commission subject to the provisions of the Act. The amount of commission to be paid to each of the non-executive director(s), shall be as recommended by the N&RC on the basis of performance evaluation carried out in respect of such non-executive director(s) under Section 178 of the Act and Listing Regulations.

c. Stock Options:

Independent Directors and Promoter Directors shall not be entitled for stock options of the Company.

N&RC may recommend issue of stock options to other directors which may be granted by the Board subject to the compliance of the provisions of relevant laws.

d. Professional fees:

Non independent directors may be paid fees for services of professional nature, if in the opinion of N&RC; the director possesses the requisite qualification for the practice of the profession. The following professionals shall be deemed to be possessing requisite qualification and the N&RC is not required to give their opinion, if the director is any of the following professional and renders his services to the company in that capacity:

- (a) Journalist
- (b) Editor of a magazine but not the publisher or the proprietor
- (c) Man of letters writing numerous articles
- (d) Author
- (e) Engineer
- (f) Architect
- (g) Solicitor
- (h) Stock broker
- (i) Film actor
- (j) Optician
- (k) Commission Agent
- (l) Auctioneer, valuer or an estate agent
- (m) Chartered Accountant
- (n) Advocate

Such professional fees shall not be considered as remuneration for the purpose of Act.

EXCESS REMUNERATION:

The Board of Directors may decide to remunerate the Director/s beyond the overall limits provided under the Act, subject to compliance of provisions in this regard including obtaining approval of Central Government, if required, owing to loss incurred by the Company or inadequacy of profits and situation entails providing such remuneration.

WAIVING OF EXCESS REMUNERATION:

Any remuneration or sitting fees paid, whether directly or indirectly, to any director whether executive or not beyond the limits prescribed under the Act and for which approval of the shareholders or Central Government is not obtained, if required to be obtained, the same shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

Company shall not, in any case, waive the recovery of any such sum unless specific permission is obtained from Central Government for waiving such excess payment.

II. KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

i. Key Managerial Personnel and Senior Management Personnel:

Key Managerial Personnel (KMP) means Chief Executive Officer, Chief Financial Officer and Company Secretary.

*Senior Management Personnel (SMP) shall mean officers / personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below executive directors, including all functional heads the chief executive officer / managing director / whole time director / manager (including chief executive officer / manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

The Company shall issue an appointment letter to every KMP to be signed by the reporting executive director. The letter shall detail the expectation from the role, remuneration package and other terms and conditions.

The remuneration components payable to KMP / SMP may be:

**Inserted, pursuant to the amendment in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1 April, 2019.*

a. Fixed salary:

Each KMP shall be paid fixed salary consisting of basic salary and such allowances and perquisites as per service rules of the Company. The band of the salary shall be determined according to the industry standards, market conditions, scale of Company's business relating to the position, educational qualification parameters and personal experience in the industry as detailed in the service rules of the Company and such other factors as may be prescribed therein.

The same shall be reviewed annually based on the Company's annual appraisal policy.

b. Variable pay:

Variable pay, if any, to every KMP shall be as per the responsibility of the position, organization and individual performance.

The variable pay shall be payable at the end of financial year based on absolute and relative performance evaluation of the Company as well as that individual. The weightage of the same will be decided by the N&RC in each case before the beginning of the each financial year.

c. Non monetary benefits:

Non monetary benefits to KMP may include club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bill, fully furnished accommodation (in case of use of own residential property for accommodation, house rent allowance shall be paid), furnishings, reimbursement of house maintenance expenditure, reimbursement of gas, electricity bill, water and other utilities and repairs at residence, reimbursement of medical expenditure for self and family and leave travel assistance.

KMP may be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance etc. as per Company policy.

d. Stock options:

To motivate executives to pursue long term growth and objectives of the Company, the executive directors may nominate KMP for receiving stock options on the basis of the eligibility criterion of any scheme of stock options declared by the Company.

e. Separation / Retirement benefits:

Separation / retirement benefits as per Company policy which shall include contribution to provident fund, superannuation, gratuity and leave encashment.

DIRECTORS AND OFFICERS LIABILITY INSURANCE:

The Company may take Directors and Officers liability insurance or such insurance of like nature for indemnifying any of the Directors or its KMP against any liability in respect of any negligence, default, misfeasance, breach of duty or trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of remuneration payable to such personnel. Provided that if such person is proved to be guilty, the premium paid shall be treated as part of remuneration.

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CONSULTANTS AND ADVISORS:

The N&RC may take services of such consultants and advisors as may be required to assist in determination of optimum remuneration structure and evaluation of the same for the Company's Directors and senior management and shall have the authority to approve the fees payable to such consultants and advisors.

The N&RC shall have access to data of the Company relating to annual operating plan, management and leadership programs, employee survey, initiatives, operational reviews for purpose of undertaking their terms of reference and providing such recommendations as are required under the policy and take such assistance from Executive Director as may be required for assessing the effectiveness and performance of any employee covered under the policy.

AMENDMENT

Based on the recommendation of the N&RC, the Board reserves its right to amend or modify this Policy in whole or in part, at any time, when it deems appropriate or in accordance with any amendment to the applicable provisions of the Act, including rules thereof and / or the provisions of the Listing Regulations.

sd/-

Nihal G. Kulkarni
Chairman of the Board
DIN : 01139147

sd/-

Pawan J. Rathi
Chairman of the Nomination &
Remuneration Committee
DIN : 06669485

**ANNEXURE III TO THE DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT**

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

For the Financial Year Ended on 31st March 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED on 31st March 2020**

To,
The Members,
G. G. DANDEKAR MACHINE WORKS LIMITED
211/A, MIDC, BUTIBORI INDUSTRIAL AREA,
VILLAGE KINHI, TAL. HINGANA,
DIST. NAGPUR 441122.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by G. G. DANDEKAR MACHINE WORKS LIMITED (CIN: L99999MH1938PLC002869) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us as reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder including any further amendment/s;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; There are no events occurred during the period which attracts provisions of these guidelines, hence not applicable.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable and

G. G. DANDEKAR MACHINE WORKS LIMITED

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
- vi. As informed to us by the Management, there are no other laws which are specifically applicable to the company. We 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 Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015
- During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable, subject to the following observations:
1. There was a delay in transferring the unpaid dividend amount of FY 2010-11 lying with the Company to the Investor Education and Protection Fund (IEPF) as required under Section 124 and Section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
 2. The Company could not comply with the provisions about constitution of the Audit Committee and Nomination and Remuneration Committee during the period of 26 days, from December 31, 2019 to January 26, 2020, due to resignation of a director.
 3. The company did not have women director during the period September 11, 2019 to January 26, 2020 due to resignation of a women director.
 4. The Company did not have a Company Secretary during the period March 10, 2020 to June 15, 2020, due to resignation of the then Company Secretary.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except for the period from September 11, 2019 to January 26, 2020 as the company did not have women director on the Board of Directors of the company during the said period. 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 Companies Act, 2013 and other applicable legislation(s) with respect to appointment, re-appointment and resignation of directors. Further, pursuant to the provisions of Section 149 of the Companies Act, 2013 and relevant rules made thereunder. The company should have filled the vacancy of a women director not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later. There was a delay in filling of vacancy of women director. The Company Secretary of the Company resigned and was relieved w.e.f. March 09, 2020. New Company Secretary was appointed in the next financial year w.e.f. June 15, 2020. The Chief Financial Officer of the Company who resigned and was relieved w.e.f. March 14, 2020. New Chief Financial Officer was appointed in the next financial year w.e.f. June 15, 2020.

Adequate notices were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All the decisions were taken by majority, while there were no dissenting views expressed in the meetings and hence not captured and recorded in the minutes.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company does not have any events having a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For KANJ & CO, LLP
Company Secretaries

Place : Pune
Date : 27th July 2020

Sd/-
Signature:
MAHESH A. ATHAVALE
Designated Partner
FCS No. 2412
CP No. 1488
UDIN: F002412B000507983

To,
The Members,
G. G. DANDEKAR MACHINE WORKS LIMITED
211/A, MIDC, BUTIBORI INDUSTRIALAREA,
VILLAGE KINHI, TAL. HINGANA,
DIST. NAGPUR 441122.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. Due to COVID-19 outbreak and Lockdown situation, this Report has been issued relying on the certificate, information, details, data, documents and explanation provided by the Company and its officers, agents and authorized representatives and Registrar and Transfer Agent in electronic form, without physically verifying at their office.

For KANJ & CO, LLP
Company Secretaries

Place : Pune
Date : 27th July 2020

Sd/-
Signature:
MAHESH A. ATHAVALE
Designated Partner
FCS No. 2412
CP No. 1488
UDIN: F002412B000507983

ANNEXURE IV TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

> **Steps taken or impact on conservation of energy.**

- Changed Cooling system from Air conditioners to Evaporative coolers. The Evaporative cooling is very effective in hot and dry area like Nagpur wherein factory is located. Along with good cooling effect a good saving was also achieved to the tune of Rs. 1.5 Lakhs per year through energy conservation.
- Based on actual power consumption measurement, the power demand load was adjusted from 300 to 200 kVA. It has resulted in saving Rs 2.4 Lakhs per year.
- Capital investment on energy conservation equipment Rs. 0.25 Lakhs for replacement of existing lamps with LED lamps.

B. TECHNOLOGY ABSORPTION

> **Efforts made towards technology absorption.**

- Upgraded traditional product 'Paddy Separator' in all metallic construction. Standardised material of construction for sheet metal components. It has resulted in improved manufacturability, aesthetic and durability of the machine. Eliminating old design using Teak wood altogether results in making it an environment friendly product. The machine was passed through rigorous in plant trials as well as field trials and upon success design changes were implemented. Further the beneficial upgradation will be applied to all models.
- During survey company has received customer demand for compact Paddy Separator to occupy lesser space in rice mill. Accordingly company started working on all new design of compact Table type paddy separator. The design is completed and company will now move forward with proto type manufacturing.
- The company as promised has ventured in to non-rice segment with its products like Cleaning machine, Destoning machine and Table type Paddy Separator. The company has developed a suitable paddy separator for addressing a separation requirement for Millet and wheat. The new version has received good response from its customers with repeat orders.

> **Benefits derived like product improvement; cost reduction, new product development.**

- **Product Improvement:** Product improvement has helped the company to be in race with the competitors for traditional products. Product manufacturing has improved by updating manufacturing technology and process improvements. It has resulted in reducing assembly time. It has also improved product aesthetics, maintainability and performance. The company has now entered in non- rice segment and has started offering products for Millets, wheat, Chili processing.
- **Cost Reduction:** The various focused activities like Value Engineering, Material sourcing and changes in manufacturing processes has resulted in cost reduction.
- **New Product Development:** Total nine new products were developed in last four years & introduced in the market. Particularly upgradation programme for traditional products like Sheller, Cone Polisher, Paddy Separator and Grader has helped the company to maintain its position in highly competitive rice milling machinery market. It has consolidated company's product portfolio to address the business with its own products.

> In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)

The company has not imported any technology in last financial year.

- Details of technology imported.

Not applicable since it has not imported any technology in last financial year.

- Year of import.

Not applicable

- Whether the technology has been fully absorbed.

Not applicable

- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Not applicable

- Expenditure incurred on research & development Approx. Rs. 9.80 Lakhs.

ANNEXURE V TO THE DIRECTORS' REPORT

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No	Particulars	After considering commission
I	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	Name of Director
		Mr. Nihal G. Kulkarni, Chairman
		Mr. Mangesh Joshi Executive Director
		Mr. Madhav R. Chandrachud*
		Mr. Rajesh D. Phadke*
		Mr. Saurabh B. Patwardhan*
		Mrs. Savita P. Sahasrabudhe*
		Mr. Pawan J. Rathi*
		Ms. Smita Raichurkar*
		Mr. Chinmay Bhandari*
II	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name of Director & KMP
		Mr. Nihal G. Kulkarni, Chairman
		Mr. Mangesh Joshi Executive Director
		Mr. Madhav R. Chandrachud*
		Mr. Rajesh D. Phadke*
		Mr. Saurabh B. Patwardhan*
		Mrs. Savita P. Sahasrabudhe*
		Mr. Pawan J. Rathi*
		Ms. Smita Raichurkar*
		Mr. Chinmay Bhandari*
		Mr. Mahavir Barlotia**
		Mr. Ajay Shrivastava**
III	The percentage increase in the median remuneration of employees in the financial year	NIL
IV	The number of permanent employees on the rolls of Company during the FY 2019-20	10 including Executive Director
V	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NIL
VI	Affirmation	The Board affirms that the remuneration is as per the remuneration policy of the Company.

* Mr. Rajesh D. Phadke resigned w.e.f. 16.05.2019, Mr. Pawan J. Rathi (Non-Executive Independent Director) has been appointed w.e.f. 16.05.2019, Mr. Saurabh B. Patwardhan (Non-Executive Independent Director) has been re-appointed w.e.f. 11.09.2019, Tenure of Mrs. Savita P. Sahasrabudhe was completed from 10.09.2019, Mr. Chinmay Bhandari (Additional Non-Executive Independent Director) has been appointed w.e.f. 27.01.2020 and Ms. Smita A Raichurkar (Additional Non-Executive Director) has been appointed w.e.f. 27.01.2020.

** Mr. Mahavir Barlotia and Mr. Ajay Shrivastava resigned from the office of Chief Financial Officer and Company Secretary w.e.f. 14th March, 2020 and 9th March, 2020 respectively

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REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (the Amendment Regulations)]

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to conduct its affairs in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors, and employees. To this end, the Company's philosophy on Corporate Governance is to Endeavour to ensure:

- That systems and procedures which monitor compliance with laws, rules, and regulations are in place in each area of its business.
- That relevant information regarding the Company and its operation is disclosed, disseminated, and easily available to its stakeholders.

Your Company's policy is aimed at adhering to all the laws, rules, regulations meant for Corporate Governance at all times and have the best management team that can also effectively monitor corporate decisions for sustained growth.

2. BOARD OF DIRECTORS:

The Company's policy is to have an appropriate composition of Executive, Non-Executive and Independent Directors to maintain the independence of the Board.

a. Composition of the Board:

As at 31st March 2020, the Board comprised of six Directors. The Composition of the Board is as under:

Category of Directors	No. of Directors
Executive	1
Non-Executive and Independent	3
Non-Executive and Non Independent	2
Total	6

b. Number of Board Meetings:

During the financial year under review, five Board Meetings were held on 16th May 2019, 6th August 2019, 27th September 2019, 14th November 2019, and 27th January 2020.

c. Director's attendance record and directorships held:

The information on the composition of the Board, category of Directors, attendance of each Director at Board Meetings held during the Financial Year 2019-20 and the Annual General Meeting (AGM) held on 27 September 2019, Directorships and Committee positions in other public companies of which the Director is a Member / Chairperson, the shareholding of Non-Executive Directors (Refer Table A) and the names of the listed entities in which the Directors hold directorship and category thereof (Refer Table B), as at 31 March 2020, is as follows:

Sr. No.	Name of Director	No. of Shares held by Non Executive Directors	No of Directorships held in other Public Ltd Co.**	No. of Committee positions held in other Public Ltd. Co.***		Attendance at the Meetings	
				Chairman	Member	Board	AGM
A Executive Directors (Whole-time Director)							
1	Mr. Mangesh S. Joshi	1	-	-	-	5	Present
B Non-Executive Directors							
1	Mr. Madhav Chandrachud (Resigned w.e.f. 30.12.2019)	Nil	-	-	-	4	Present
2	Mr. Nihal G. Kulkarni*	Nil	4	-	1	4	Absent
3	Ms. Smita Raichurkar (Appointed as Additional Director w.e.f. 27.01.2020)	Nil	-	-	-	1	NA
C Non-Executive Independent Directors							
1	Mr. Rajesh Phadke (Resigned w.e.f. 16.05.2019)	Nil	1	-	-	1	NA
2	Mr. Saurabh B. Patwardhan (Reappointed as Independent Director w.e.f. 11.9.2019)	Nil	-	-	-	2	Absent
3	Mrs. Savita P. Sahasrabudhe (Tenure completed on 10.09.2019)	Nil	-	-	-	2	NA
4	Mr. Pawan J. Rathi (Appointed as Independent Director w.e.f. 16.05.2019)	Nil	-	-	-	5	Present
5	Mr. Chinmay Bhandari (Appointed as Additional Independent Director w.e.f. 27.01.2020)	Nil	-	-	-	1	NA

Further no directors of the company are inter-se related to each other

Note:

- * Deemed as Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.
- ** Other Directorships excludes directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- *** For this purpose, only Audit and Stakeholders' Relationship Committee of the Public Limited Companies has been considered as per Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Notes:

1. None of the Directors on the Board is a member of more than ten Committees and Chairperson of more than five Committees in all public limited companies whether listed or not, in which he/she is a director. All the Directors have made the requisite disclosures regarding committee positions held by them in other public limited companies.
2. As on 31 March 2020, none of the current Directors are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013 and Rules thereof.

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Sr. No.	Name of Director	Name of the other listed entities in which Director holds Directorship	Category of Directorship
A	Executive Directors (Whole-time Director)		
1	Mr. Mangesh S. Joshi	Nil	NA
B	Non-Executive Directors		
1	Mr. Madhav Chandrachud (Resigned w.e.f. 30.12.2019)	Nil	NA
2	Mr. Nihal G. Kulkarni*	Kirloskar Oil Engines Ltd.	Managing Director till 28.04.2020 (Executive and Non-Independent Director w.e.f. 29.04.2020)
		Kirloskar Industries Ltd.	Non-Executive Non-Independent Director
3	Ms. Smita Raichurkar (Appointed as Additional Director w.e.f. 27.01.2020)	Nil	NA
C	Non-Executive Independent Directors		
1	Mr. Rajesh Phadke (Resigned w.e.f. 16.05.2019)	Nil	NA
2	Mr. Saurabh B. Patwardhan (Reappointed as Independent Director w.e.f. 11.9.2019)	Nil	NA
3	Mrs. Savita P. Sahasrabudhe (Tenure completed on 10.09.2019)	Nil	NA
4	Mr. Pawan J. Rathi (Appointed as Independent Director w.e.f. 16.05.2019)	Nil	NA
5	Mr. Chinmay Bhandari (Appointed as Additional Independent Director w.e.f. 27.01.2020)	Nil	NA

Note:

None of the Directors on the Board is a Director of more than eight listed entities nor is any Independent Director, an Independent Director of more than seven listed entities as at 31st March 2020.

d. Criteria for performance evaluation:

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of Directors. The annual evaluation of Directors is made on the following criteria:

- i. Attendance for the meetings, participation and independence during the meetings;
- ii. Interaction with Management;
- iii. Role and accountability of the Board and
- iv. Knowledge and proficiency

e. Meeting of Independent Directors

Pursuant to provisions of Schedule IV of the Companies Act 2013 and the rules made there under, the Independent Directors of the Company shall hold at least one meeting in a year, without attendance of non-independent directors and members of the management. The meeting of Independent Directors was held on 27th January, 2020 to discuss, inter-alia:

- i. the performance of Non-Independent Directors and the Board as a whole;
- ii. the performance of the Chairman of the Company, taking into account the views of
- iii. Executive Director and Non-Executive Directors;
- iv. the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

f. Familiarization program for Independent Directors

Independent Directors of the Company are made aware of their role, rights and responsibilities at the time of their appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. Further copies of Code of Conduct and Policies adopted by the Board as per regulatory provisions are made available to Independent Director at the time of joining.

During quarterly Board Meetings and Annual General Meeting, all Board Members are updated on regular basis, by way of presentations where Directors have an opportunity to interact with senior management personnel. Presentations cover, inter alia, quarterly and annual results, budgets, review of internal audit report, information on business performance, operations, financial parameters, senior management change, major litigations, compliances, risk management and regulatory scenarios and such other areas as may arise from time to time.

The same is available on company's website

http://www.ggdandekar.com/en/Information/Code_of_Conduct/

g. Code of Conduct

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is available on the Company's website viz.,

http://www.ggdandekar.com/en/Information/Code_of_Conduct/. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the Executive Director forms part to this Report.

h. Information supplied to the Board

The Agenda notes are circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to facilitate meaningful discussions and enable the Board to take appropriate decisions. As part of the process of good governance, the agenda also includes the progress on the decisions taken by the Board in its previous meeting(s). Among others, this includes:

- Review of annual operating plans of business, capital budgets, updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Material important show cause, demand, prosecution and penalty notices;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property
- Significant labour problems and their proposed solutions;
- Significant development in human resources and industrial relation fronts;
- Non-compliance of any regulatory, statutory provision or listing requirements as well as shareholders service such as non-payment of dividend and delay in share transfer.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer or Company Secretary.

- i. The table below summarizes core skills / expertise / competencies identified by the Board of Directors as required and available with the Board in the context of business of the Company for its effective functioning is as follows:

Sr. No.	Core Skills / Expertise Competencies	Nihal G. Kulkarni	Mangesh S. Joshi	Saurabh B Patwardhan	Pawan J Rathi	Smit R Raichurkar	Chinmay M Bhandari
A	Technical						
1	Finance	✓			✓		
2	Management	✓		✓	✓		✓
3	Sales & Marketing	✓	✓	✓			
4	Manufacturing & Operations	✓	✓				
5	Research & Development		✓				✓

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Sr. No.	Core Skills / Expertise Competencies	Nihal G. Kulkarni	Mangesh S. Joshi	Saurabh B Patwardhan	Pawan J Rathi	Smit R Raichurkar	Chinmay M Bhandari
6	Human Resources			✓			
7	Information Technology	✓					✓
B	Industry						
1	Knowledge about Economy	✓	✓	✓	✓		
2	Industry experience	✓	✓				
3	Knowledge of business sector	✓	✓				
C	Governance						
1	Compliance Management		✓			✓	
2	Knowledge about statutory /regulatory laws	✓	✓		✓	✓	
3	Experience in developing and implementing Risk Management		✓			✓	
4	Strategic Planning	✓	✓	✓	✓		
D	Others						
1	Communication and Interpersonal Skills		✓		✓	✓	✓
2	Public Relations		✓	✓			
3	Corporate Restructuring	✓			✓	✓	

j. Confirmation on declarations given by Independent Directors:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Regulations.

The Board of Directors, after due assessment of veracity of the declarations received from the Independent Directors to the extent possible, confirms that, Independent Directors fulfill the conditions specified in the Regulations 25(8) of the Regulations and they are independent of the management.

k. Reasons for the resignation of independent directors during the Financial Year 2019-20, if any:

Mr. Rajesh Deepak Phadke resigned as an Independent Director with effect from 16 May 2019, due to his personal commitment elsewhere and paucity of time. Tenure of Mrs. Savita P. Sahasrabudhe was completed on 10 September 2019.

3. AUDIT COMMITTEE

a. Composition

As at 31 March, 2020, the Audit Committee comprises of Four Non-Executive Directors, among which 3/4th of the members are Independent. The Company Secretary acts as the Secretary to the Committee. The Executive Director also attends the Audit Committee Meetings. The representatives of the Internal Auditors and Statutory Auditors are also invited to the meetings.

During the financial year under review, four meetings of the Committee were held on 16th May 2019, 6th August 2019, 14th November 2019, and 27th January 2020.

The composition of the Committee and attendance at its meetings is given below:

Sr. No.	Name of the member Director	Category	Number of meetings attended
1.	Mr. Rajesh D. Phadke (Chairman) (Resigned w.e.f. 16.05.2019)	Non-Executive & Independent	1
2.	Mr. Pawan Rathi (Chairman) (Appointed as Independent Director w.e.f. 16.05.2019)	Non-Executive & Independent	4
3.	Mr. Madhav R. Chandrachud (Resigned w.e.f. 30.12.2019)	Non-Executive & Non-Independent	3
4.	Mrs. Savita P. Sahasrabudhe (Tenure completed on 10.09.2019)	Non-Executive & Independent	2
5.	Mr. Saurabh B. Patwardhan (Reappointed as Independent Director w.e.f. 11.09.2019)	Non-Executive & Independent	3
6.	Ms. Smita Raichurkar (Appointed as Additional Director w.e.f. 27.01.2020)	Non-Executive & Non-Independent	1
7.	Mr. Chinmay Bhandari (Appointed as Additional Director w.e.f. 27.01.2020)	Non-Executive & Independent	1

Terms of Reference

The terms of reference of the Audit Committee include the matters specified under Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as those in Section 177 of the Companies Act, 2013 and *inter-alia* includes the following:

1. Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board, for approval, with particular reference to:
 - a) Matters required to be 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) Modified opinion in Draft Audit Report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approving or any subsequently modifying transactions of the company with related parties.

9. Scrutinizing inter-corporate loans and investments.
10. Ensuring valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluating internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
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. Discussing 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 nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. Looking 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. Reviewing the functioning of the Whistle Blower mechanism.
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 and background, etc. of the candidate.
20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Mandatorily reviewing 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 the 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 Internal Auditor.
22. Carrying out any other function as is mentioned in the terms of reference of Audit Committee as amended from time to time by the Listing Regulations and Companies Act, 2013.

b. Powers of Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

4. NOMINATION AND REMUNERATION COMMITTEE

a. Composition

As at 31st March, 2020, the Nomination and Remuneration Committee comprises of four Non-Executive Directors, majority of whom are Independent. The composition is in conformity with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year under review, three meetings of the Committee were held on 16th May 2019, 6th August 2019 and 27th January 2020.

The composition of the Committee and attendance at its meetings is given below:

Sr. No.	Name of the member Director	Category	Number of meetings attended
1.	Mr. Rajesh D. Phadke (Chairman - Resigned w.e.f. 16.05.2019)	Non-Executive Independent	1
2	Mr. Pawan J. Rathi (Chairman) (Appointed as Independent Director w.e.f. 16.05.2019)	Non-Executive Independent	3
3	Mr. Madhav R. Chandrachud (Resigned w.e.f. 30.12.2019)	Non-Executive Non-Independent	2
4	Mrs. Savita P. Sahasrabudhe (Tenure completed on 10.09.2019)	Non-Executive Independent	2
5	Mr. Saurabh B. Patwardhan (Reappointed as Independent Director w.e.f. 11.09.2019)	Non-Executive Independent	1
6	Mr. Nihal G. Kulkarni*	Non-Executive & Non-Independent	1
7	Ms. Smita Raichurkar (Appointed as Additional Director w.e.f. 27.01.2020)	Non-Executive & Non-Independent	1
8	Mr. Chinmay Bhandari (Appointed as Additional Director w.e.f. 27.01.2020)	Non-Executive & Independent	1

Note:

* Mr. Nihal G. Kulkarni was appointed as a member of the Nomination and Remuneration by the Board of Directors in their meeting held on 27.01.2020. Later, in the same meeting the Board had restructured the composition of the committee wherein Mr. Nihal G. Kulkarni ceased to be a member of the Nomination and Remuneration.

b. Terms of Reference

The terms of reference of the Nomination and Remuneration Committee include the matters specified under Regulation 19(4) read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as those in Section 178 of the Companies Act, 2013 and *inter-alia* includes the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- v. Formulation of policy relating to the remuneration for the directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

c. Remuneration to the Directors

1. Remuneration to Directors

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration. The copy of the same has been attached as Annexure II to the Directors' Report.

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The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to its Executive Director. The commission to the Executive Director is decided by the Nomination and Remuneration Committee on determination of the profits for the financial year and is also approved by the Board of Directors. The remuneration to the Executive Director is in accordance with the provisions of the Companies Act, 2013 and rules thereof and within ceiling prescribed thereunder.

Upon the recommendation of the Nomination and Remuneration Committee and based on the performance of the Company, the Board of Directors decide the remuneration to Non-Executive Directors by way of commission.

The sitting fee of Rs. 5,000/- per meeting of the Board and any committee thereof, attended by the Non-Executive Directors is payable to them.

Details of the remuneration paid to Directors during Financial Year 2019-20:

(Amount in ₹)

Sr. No.	Name of Director	Salary (₹)	Perquisites & Other Benefits (₹)	Contribution to Statutory Funds (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
A Executive Directors (Whole-time Director)							
1	Mr. Mangesh S. Joshi	42,36,000	47,967	1,44,000	NA	-	44,27,967
B Non-Executive Directors							
1	Mr. Madhav Chandrachud (Resigned w.e.f. 30.12.2019)	-	-	-	55,000	-	55,000
2	Mr. Nihal G. Kulkarni*	-	-	-	30,000	-	30,000
3	Ms. Smita Raichurkar (Appointed as Additional Director w.e.f. 27.01.2020)	-	-	-	15,000	-	15,000
C Non-Executive Independent Directors							
1	Mr. Rajesh Phadke (Resigned w.e.f. 16.05.2019)	-	-	-	15,000	-	15,000
2	Mr. Saurabh B. Patwardhan (Reappointed as Independent Director w.e.f. 11.9.2019)	-	-	-	35,000	-	35,000
3	Mrs. Savita P. Sahasrabudhe (Tenure completed on 10.09.2019)	-	-	-	30,000	-	30,000
4	Mr. Pawan J. Rathi (Appointed as Independent Director w.e.f. 16.05.2019)	-	-	-	75,000	-	75,000
5	Mr. Chinmay Bhandari (Appointed as Additional Independent Director w.e.f. 27.01.2020)	-	-	-	15,000	-	15,000

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a. Composition:

The Stakeholders' Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc. and redressal thereof. The Committee is headed by Ms. Smita A. Raichurkar, Non-Executive and Non-Independent Director, with Mr. Nihal G. Kulkarni, Non-Executive Director, Mr. Mangesh S. Joshi, Executive Director and Mr. Pawan J. Rathi, Non-Executive and Independent Director, being the other members of the Committee.

During the financial year under review, two meeting of Stakeholders' Relationship Committee Meeting was held on 16th May 2019 and 6th August 2019.

Mr. Ajay Shrivastava resigned from the office of Company Secretary and Compliance Officer w.e.f. 09th March 2020.

Ms. Sayalee Yengul is appointed as Company Secretary and Compliance Officer w.e.f. 15th June, 2020

The Compliance Officer can be contacted at:

G. G. Dandekar Machine Works Limited
211/A, MIDC Butibori Industrial Area,
Kinhi Village, Tal. Hingana, Dist. Nagpur 441122
Tel.: (07103) 295109
E-mail: cs@ggdandekar.com

With reference to Regulation 6(2)(d) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Company has designated exclusive e-mail id for the investors as **ir@ggdandekar.com** to register their grievances, if any. This has been initiated by the Company to resolve such Investors' grievances immediately. The Company has displayed the said e-mail id on its website for the use of investors.

b. Terms of reference:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

The Company had no share transfer requests pending as on 31 March 2020.

During the year ended 31st March, 2020, no investor complaint was received and there were no complaints outstanding as on 31st March 2020.

6. GENERAL BODY MEETINGS

The last three Annual General Meetings of the shareholders of the Company were held as under-

Financial Year	Date	Venue	Time	Special Resolutions passed
2018-19	27 September 2019	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tal. Hingana, Dist. Nagpur 441122	11.30 a.m.	- Appointment of Mr. Pawan Rathi as Non-Executive Independent Director for a period of 5 years - Reappointment of Mr. Saurabh Patwardhan as Non-Executive Independent Director for a second term of 5 years
2017-18	21 September 2018	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tal. Hingana, Dist. Nagpur 441122	11.00 a.m.	Re-appointment of Executive Director Mr. Mangesh Joshi for a period of 3 years
2016-17	09 August 2017	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tal. Hingana, Dist. Nagpur 441122	11.00 a.m.	-

At present, special resolution for appointment of Non-Executive Non-Independent Director, Mrs. Smita Raichurkar and for Non-Executive Independent Director Mr. Chinmay Bhandari for a period of 5 years is proposed to be passed at the ensuing Annual General Meeting.

7. RESOLUTIONS PASSED BY POSTAL BALLOT

No special resolutions passed at the above Annual General Meetings were required to be passed through postal ballot.

G. G. DANDEKAR MACHINE WORKS LIMITED

8. MEANS OF COMMUNICATION

a. Quarterly results

The Quarterly and Half Yearly results are published in national and local dailies, namely Financial Express (English) / Free Press Journal (English) and Lokshahi Varta/Mahasagar (Marathi), having wide circulation. Since the results of the Company are published in the newspapers, half yearly reports are not sent individually to the shareholders.

The Company's results and official news releases are displayed on the Company's website namely www.ggdandekar.com

b. The BSE Corporate Compliance and Listing Centre (the 'Listing Centre')

The Listing Centre of BSE is web-based application designed by BSE respectively for the Corporate. All periodicals compliance filings like shareholding pattern, corporate governance report, quarterly results etc. are filed electronically on the Listing Centre of BSE.

c. The Management Discussion and Analysis Report forms part of this Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Corporate Identification Number (CIN)	L99999MH1938PLC002869
Name and Registered office of the Company	G. G. Dandekar Machine Works Limited, 211/A, MIDC Buti Bori Industrial Area, Village Kinhi, Tal. Hingana, Dist. Nagpur, Pin-441122.
Annual General Meeting	Date and Day : Monday, September 28th, 2020 Time : 11.30 A.M. (IST) Venue : Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
Book Closure	September 22nd, 2020 to September 28th, 2020 (Both days inclusive)
Last date of receipt of proxy forms	The requirement of accepting Proxy Forms has been dispensed with as per MCA Circular No. 20/2020 dated 5th May 2020, as it directs to conduct Annual General Meeting through VC/OAVM
Financial Year 2019-20	During the year the financial results were announced as under: First quarter : 6 August 2019 Second quarter : 14 November 2019 Third quarter : 27 January 2020 Annual : 28 July 2020
International Security Identification Number (ISIN)	INE631D01026
Name and address of stock exchange where shares are listed	BSE Limited (BSE), Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001
Stock Code	505250
Payment of annual listing fees	The annual listing fees have been paid to BSE.
Designated E-mail address for investor services	ir@ggdandekar.com

b. Shareholding Pattern as on 31st March 2020

Sr. No.	Category	No. of shares	% of Share holding
1	Promoters	2866470	60.21
3	Clearing Members	330	00.00
4	Other Bodies Corporate	299453	06.29
5	Hindu Undivided Family	63461	01.33
6	NRI (Repatriable)	64269	01.34
7	NRI (Non- Repatriable)	17843	00.37
8	General Public	1232437	25.88
9	GIC & Its Subsidiaries	135680	02.85
10	Investor Education and Protection Fund	81444	01.71
	TOTAL	47,61,387	100.00

c. Distribution of Shareholding as on 31st March 2020

Shareholding of nominal value of		Shareholders		No. of Shares (Nominal Value @ ₹ 1)	
₹	₹	Number	% to Total	Number	% to Total
(1)	(1)	(2)	(3)	(4)	(5)
1	5000	2073	97.59	7,87,093	16.53
5001	10,000	25	1.18	1,90,197	3.99
10,001	20,000	11	0.52	1,52,202	3.19
20,001	30,000	3	0.14	74,100	1.56
40,001	50,000	2	0.09	90,553	1.9
50,001	1,00,000	3	0.14	1,98,018	4.16
1,00,001 and above		7	0.33	32,69,224	68.66
TOTAL		2124	100	47,61,387	100.00

d. Dematerialization of Shares and Liquidity

Dematerialisation of shares and liquidity (as on 31 March 2020)	45,54,511
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs / ADRs / Warrants or any Convertible instruments.

There were no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, which are likely to cause impact on equity during the year under review.

Commodity price risk or foreign exchange risk and hedging activities:

Not applicable, since the Company does not procure any commodities or have any forex inflows or Outflows.

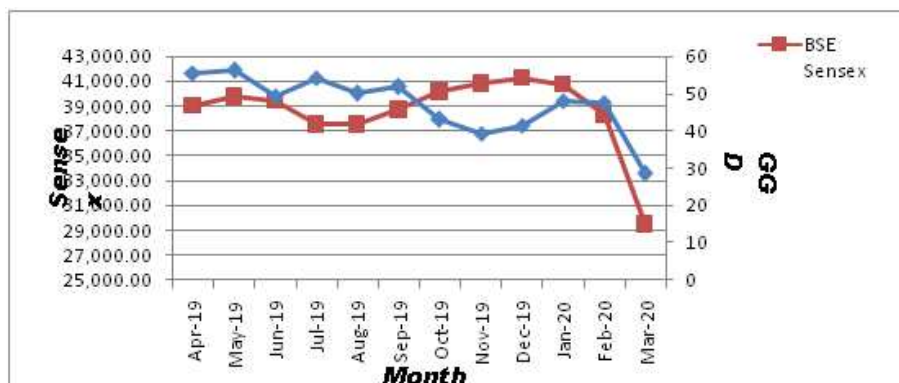
G. G. DANDEKAR MACHINE WORKS LIMITED

e. Market Price Data

Monthly high / low during the year 2019-20 on the BSE are as under:

Stock Exchange	BSE	
	High (₹)	Low (₹)
April 2019	62.70	54.65
May 2019	63.00	52.10
June 2019	56.00	56.00
July 2019	57.20	45.35
August 2019	57.95	57.95
September 2019	56.80	56.80
October 2019	49.90	39.05
November 2019	45.00	39.10
December 2019	44.10	35.25
January 2020	48.05	38.15
February 2020	53.30	43.35
March 2020	45.15	28.50

f. Performance of monthly close price of the Company's scrip on the BSE as compared to the monthly close S&P BSE Sensex for the year 2019-20:



g. Share Transfer System

- The requests for effecting transfer of securities (except in case of transmission or transposition of securities) will not be permitted unless the securities are held in the dematerialised form with a depository after 31 March 2019, as per SEBI Notification LIST/COMP/15/2018-19 dated 5 July 2018, read with SEBI press release 51/2018 dated 3 December 2018. However, there is no restriction on transmission / transposition of securities held in physical form.

During the year under review, applications for transfer of shares in physical forms are processed by the Registrar and Share Transfer Agent of the Company and are returned after registration of transfer with 15 days from the date of the receipt, subject to the validity of all documents lodged with the Company. The transfer applications are approved at regular interval.

- Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis is issued by the Practicing Company Secretary for compliance with share transfer formalities by the Company.

h. Registrar and Share Transfer Agent (R & T Agent)

The entire work of the Company, relating to processing of transfer of shares has been given to an outside agency i.e., Link Intime India Private Limited being a SEBI Registered R & T Agent. The contact details are as follows –

Link Intime India Private Limited	'Akshay' Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Pune – 411 001 Tel: (020) 2616 1629 / 2616 0084 Email: pune@linkintime.co.in
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i. List of all credit ratings obtained by the Company during the financial year:

Not applicable.

j. Member References

- Permanent Account Number (PAN)

As per SEBI's guidelines and as informed from time to time by the Company, members who continue to hold shares in the physical form shall furnish a copy of PAN Card in the following cases:

- a) Transferees' and Transferors' PAN Cards for transfer of shares,
- b) Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,
- c) Legal heirs' PAN Cards for transmission of shares,
- d) Joint holders' PAN Cards for transposition of shares.

- Email Address

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

Members who continue to hold shares in physical form are requested to register their e-mail addresses with the Company / the Registrar and Share Transfer Agent (the R & T Agent) and with Depository Participants (DPs) in case of shares held in dematerialized form.

- Dematerialization of shares

As communicated by the Company from time to time, members who hold shares in physical form are requested to dematerialise their shares through any of the nearest Depository Participants (DPs), to be able to transfer the shares.

Further, dematerialization of shares avoids hassles involved with physical shares such as possibility of loss / mutilation of share certificate(s), and to ensure safe and speedy transaction in securities.

- Register Your National Electronic Clearing Services (NECS) Mandate

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Members holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's Registrar and Share Transfer Agent viz. Link Intime India Private Limited.

- Address for correspondence

Shareholders' correspondence should be addressed to Link Intime India Private Limited, Registrar and Share Transfer Agent, at the address mentioned above. Shareholders can also email their queries / grievances to the following email address: ir@ggdandekar.com

- CEO/CFO Certification

The CEO/CFO certificate signed by Mr. Mangesh S. Joshi, Executive Director and Mr. Shishir Panse, Chief Financial Officer was placed before the meeting of the Board of Directors held on July 28, 2020.

10. OTHER DISCLOSURES

The Company has complied with the other disclosure requirements of Schedule V of the Regulations.

a. Related Party Transactions

During the Financial Year under review, there was no materially significant related party transaction made by the Company, as defined in Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that may have potential conflict with the interest of the Company at large. The disclosures as per IND-AS 24 for transactions with related parties are provided in the Financial Statements of the Company.

b. Details of capital market non-compliance, if any

There have been no instances of non-compliances by the Company on any matters related to capital markets, during the last three years. Neither penalties have been imposed nor any strictures imposed on the Company by the Stock Exchanges, the Securities Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets.

c. Whistle Blower Policy / Vigil Mechanism

The Board of Directors has adopted a Whistle Blower Policy / Vigil Mechanism ('the Policy'). This Policy has provided a mechanism for Directors and employees of the Company and other persons dealing with the Company to report genuine concerns including but not limited to unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct for Board of Directors and Senior Management (the Code) or ethics policy or leakage of Unpublished Price Sensitive Information (UPSI), by any person, who is in possession of UPSI, to any other person in any manner whatsoever, except as otherwise permitted under the SEBI (Prohibition of Insider Trading) Regulations any other instance, to the Chairman of the Audit Committee.

The policy has also been uploaded on the Company's website at http://www.ggdandekar.com/en/Information/Code_of_Conduct/

d. Policy for determining 'material' subsidiaries

Since Company does not have any subsidiary during the year under review, it was not required to formulate policy for determining 'material' subsidiaries and accordingly disseminate the information about the same on website of the Company as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Policy on materiality of related party transactions and dealing with related party transactions

As required under Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions which has been put on the website of the Company at http://www.ggdandekar.com/en/Information/Code_of_Conduct/

11. LISTING FEES

The Annual Listing Fees for the year under review have been paid to BSE Limited, where the Company's shares are listed.

Further the correspondence address of the Stock Exchanges is as follows:

BSE Limited	BSE Limited (BSE), Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
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12. Disclosures of the compliance with corporate governance

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the Regulations.

13. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not applicable.

14. A certificate from Mr. Mahesh Athavale, Practising Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority, has been obtained.

15. Recommendations given by the Committees of the Board:

During the year under review, the Board has accepted all the recommendations given by the Committees of the Board, which are mandatorily required

16. Statement of fees paid by the Company to Statutory Auditors:

During the Financial Year 2019-20, the Company has processed invoices of statutory fees, certification fees and other services to the Statutory Auditors.

17. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints pending at the beginning of financial year	Nil
Number of Complaints filed during the financial year	Nil
Number of Complaints disposed of during the financial year	Nil
Number of Complaints pending at the end of financial year	Nil

18. DISCRETIONARY REQUIREMENTS

The Company has complied with the mandatory requirements of Regulation 34 (3) read with Schedule V of the Regulations. The extent of adoption of discretionary requirements as per Regulation 27 (1) read with Part E of Schedule II of the Regulations, are as follows:

a. Shareholder Rights

Since the Company publishes its quarterly results in newspapers (English and Marathi) having wide circulation, and since the results are also displayed on the website of the Company and the Stock Exchange, the Company does not send any communication of half yearly performance to the members.

b. Modified opinion in Audit Report:

The Company already is in the regime of un-qualified Financial Statements. There are no modified audit opinions on the Financial Statements of the Company for the year ended 31 March 2020, made by the Statutory Auditors in their Audit Report.

19. OTHER REQUIREMENTS:

a. Disclosure under Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of unclaimed shares

Pursuant to Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has sent reminders to those shareholders, whose share certificates have returned undelivered by the postal authorities due to insufficient / incorrect information and are lying with the Company. These share certificates will be sent to eligible shareholders, if these shareholders submit necessary documents to the Company.

As on 31st March 2020, the total unclaimed equity shares are 4,770.

b. PARTICULARS OF APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

The brief resume and other details relating to the Directors who are proposed to be appointed / re-appointed, as required to be disclosed under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Explanatory Statement setting out material facts annexed to the Notice of the Annual General Meeting.

G. G. DANDEKAR MACHINE WORKS LIMITED

DECLARATION UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS BY THE EXECUTIVE DIRECTOR OF AFFIRMATION BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF COMPLIANCE WITH THE CODE OF CONDUCT

To the members of G. G. Dandekar Machine Works Limited

Pursuant to Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board as made effective from 1st April 2007.

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

For G. G. Dandekar Machine Works Limited

Sd/-

Mangesh S. Joshi
Executive Director
DIN: 07244555

Date: August 25th, 2020
Place: Pune

REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE TO THE MEMBERS

To the members of G. G. Dandekar Machine Works Limited

We have examined the compliance of conditions of Corporate Governance by **G.G. DANDEKAR MACHINE WORKS LIMITED** (CIN: L99999MH1938PLC002869) ("the Company") for the year ended 31st March, 2020 as per the relevant provisions of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2019 to 31st March, 2020.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

For KANJ & CO, LLP
Company Secretaries

Place: Pune
Date: 27/07/2020

Sd/-
Signature:
MAHESH A. ATHAVALE
Designated Partner
FCS No. 2412
CP No. 1488
UDIN: F002412B000507983

Independent Auditor's Report

To the Members of
G. G. Dandekar Machine Works Limited,
Nagpur.

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of G. G. Dandekar Machine Works Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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, including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March, 2020, and total comprehensive income (financial performance comprising loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. Description of each key audit matter in accordance with SA 701.

Sr. No.	The key audit matters	How our audit addressed the key audit matters
1.	<p><u>Decline in the turnover of the manufacturing activity of the Company:</u></p> <p>There has been decline in the turnover of the manufacturing activity of the Company over the years. The activity is also facing a situation of negative working capital. This has resulted in piling up of creditors even after the funds infusion. This has also adversely affected the manufacturing schedules and consequently resulted in delays in execution of sales orders.</p>	<ul style="list-style-type: none"> • We discussed with the Management and Management informed us initiatives/ efforts taken by the Company to streamline the operations. • To overcome these issues, during the year, the Company has promoted another associate private limited company 'Navasasyam Dandekar Private Limited (NDPL)' with certain industry experts in grain processing technology. NDPL is engaged in the business of machinery for processing of grains, pulses (dal), cereals, legumes, oil seeds, animal feed, breweries, seed spices, tropical spices, paddy, rice etc. in India and overseas. As per the audited financial statements of NDPL for FY 2019-20 operations have resulted in profits. • We are informed that the Management is hopeful of achieving business synergy and growth in the manufacturing activity of the Company with the promotion of NDPL. The management is confident that above steps will help to streamline the operations

G. G. DANDEKAR MACHINE WORKS LIMITED

Sr. No.	The key audit matters	How our audit addressed the key audit matters
2.	<p><u>Assessments/ litigations in respect of Sales Tax:</u></p> <p>The Company had pending litigations in respect of certain sales tax matters.</p> <p>During the year, the Company opted for the Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Ordinance, 2019 (the Amnesty Scheme) for the period FY 2010-11 to FY 2015-16 and settled the liability under the amnesty scheme amounting to Rs. 90.74 lakhs.</p> <p>Further, for period April, 2016 to June, 2018, the Company has provided for sales tax liability on account of C-forms not received.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> • We read and analysed Amnesty Orders, relevant correspondences, external legal consultations undertaken by the Management for uncertain tax positions; • We discussed with the Management and evaluated Management's assumptions in estimating the tax provisions and assessed Management's estimate of the possible outcome of the disputed cases

Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors report thereon.
7. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

9. The Company's Board of Directors is 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 financial position, financial performance, 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, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules").
10. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.
11. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the standalone financial statements

12. 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.

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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.
14. 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.
15. 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.
16. 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

17. 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 enclose in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. As required by sub-section 3 of Section 143 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 including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the Directors as on 31 March, 2020, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March, 2020 from being appointed as a Director in terms of section 164 (2) of the Act.

G. G. DANDEKAR MACHINE WORKS LIMITED

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses; and
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
- h) With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Kulkarni Soman & Associates,
Chartered Accountants,
[F.R.No. 139786 – W]

Bageshri Kulkarni
Partner
M.No. 139656
UDIN:20139656AAAABC7695

Place : Pune
Date : 28.07.2020

“Annexure - A” to Independent Auditor's Report

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- b) The Company has physically verified all of its fixed assets during the year. No material discrepancies have been noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 7 to the standalone financial statements, are held in the name of the Company, except land located at Plot no. 59, Dandekar wadi, Bhiwandi.
- (ii) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanations given to us, the Company has not given loans, made investments or given guarantees which are covered by the provisions of Section 185 and Section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
- (vi) Provisions of maintenance of cost records under section 148(1) of the Companies Act, 2013 are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and records of the company examined by us, the company generally is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, service tax, value added tax, cess and any other material statutory dues with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, value added tax, Service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:

Statute	Forum with Dispute is pending	Amount (net of payments made) (Rs. in Lacs)
Income Tax Act, 1961	ITAT High Court (Mumbai)	394.34
Income Tax Act, 1961	Assistant Commissioner of Income Tax	14.62
Income Tax Act, 1961	Deputy Commissioner of Income Tax	296.40
Wealth Tax Act, 1957	Commissioner of Wealth Tax (Appeals)	22.64

- (viii) The Company does not have any loans or borrowings from any bank or financial institution or Government, nor has it issued any debentures, as at the balance sheet date accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

G. G. DANDEKAR MACHINE WORKS LIMITED

- (ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations give to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

For Kulkarni Soman & Associates,
Chartered Accountants,
[F.R.No. 139786 – W]

Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABC7695

Place : Pune
Date : 28.07.2020

“Annexure–B” to the Independent Auditor's Report

(Referred to in Paragraph 18(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013('the Act')

1. We have audited the internal financial controls over financial reporting of G. G. Dandekar Machine Works Limited (“the Company”) as of 31 March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ('the Act').

Auditor's Responsibility

3. 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' issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.
4. 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Kulkarni Soman & Associates,
Chartered Accountants,
[F.R.No. 139786 – W]

Bageshri Kulkarni
Partner
M. N. 139656
UDIN:20139656AAAABC7695

Place : Pune
Date : 28.07.2020

G. G. DANDEKAR MACHINE WORKS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

Sr.No.	PARTICULARS	Note No.	AS AT 31.03.2020	AS AT 31.03.2019
			₹	₹
	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	7	99,072,770	106,497,272
	(b) Intangible Assets	7	214,830	362,341
	(c) Financial Assets			
	(i) Investments	8	202,590,776	258,986,027
	(ii) Loans	9	585,800	599,300
			<u>302,464,176</u>	<u>366,444,940</u>
2	Current assets			
	(a) Inventories	10	10,671,442	12,177,036
	(b) Financial Assets			
	(i) Trade Receivables	11	1,431,944	1,424,131
	(ii) Cash and Cash Equivalents	12	1,952,869	381,337
	(iii) Bank Balances other than (ii) above	13	7,000,000	-
	(iv) Loans		-	-
	(v) Others	14	15,266,121	26,598,176
	(c) Current Tax Assets (Net)	15	17,377,304	12,291,663
	(d) Other Current Assets	16	2,724,324	1,758,208
			<u>56,424,004</u>	<u>54,630,551</u>
3	Assets classified as held for sale	17	402,966	402,966
	TOTAL		<u>359,291,146</u>	<u>421,478,457</u>
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	18	4,761,387	4,761,387
	(b) Other equity	19	289,546,217	348,670,542
			<u>294,307,604</u>	<u>353,431,929</u>
	Liabilities			
1	Non-current liabilities			
	(a) Provisions	20	220,806	205,623
	(b) Deferred Tax Liabilities (Net)	21	6,848,106	9,447,159
	(c) Other Non-Current Liabilities	22	106,000	106,000
			<u>7,174,912</u>	<u>9,758,782</u>
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade Payables	23	31,448,489	24,440,955
	(ii) Other Financial Liabilities	24	8,639,463	17,044,382
	(b) Other Current Liabilities	25	10,684,463	6,666,210
	(c) Provisions	26	7,036,213	10,136,200
			<u>57,808,628</u>	<u>58,287,746</u>
3	Liabilities associated with assets held for sale		-	-
	TOTAL		<u>359,291,144</u>	<u>421,478,457</u>

Notes 1 to 48 form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABC7695
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Sr.No.	PARTICULARS	Note No.	For the year ended on 31st March, 2020 ₹	For the year ended on 31st March, 2019 ₹
1	INCOME			
	(a) Revenue from Operations	27	42,061,533	47,684,431
	(b) Other Income	28	3,893,667	5,570,445
	Total Income		45,955,200	53,254,876
2	EXPENSES			
	(a) Cost of Materials Consumed	29	21,373,155	28,333,321
	(b) Changes in Inventories of Finished Goods, Work-in-progress & Stock-in-trade	30	1,916,798	(688,707)
	(c) Employee Benefits Expense	31	19,627,067	23,699,999
	(d) Depreciation and Amortisation Expense	7	7,546,889	21,047,595
	(e) Operational & Other Expenses	32	32,170,134	22,523,750
	Total Expenses		82,634,043	94,915,958
3	Profit/ (Loss) before exceptional items and tax		(36,678,843)	(41,661,082)
	Add / (Less): Exceptional Items		-	-
4	Profit/ (Loss) Before Tax		(36,678,843)	(41,661,082)
5	Less: Tax Expense			
	(a) Current Tax		-	-
	(b) Tax relating to prior period		-	-
	(c) Deferred Tax		(2,599,053)	(25,638)
			(2,599,053)	(25,638)
6	Profit/ (Loss) for the period		(34,079,790)	(41,635,444)
7	Other Comprehensive Income			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		163,702	555,024
	Changes in fair value of FVOCI Equity Instruments		(25,208,237)	(8,496,832)
	(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
	(c) Items that will be reclassified to profit or loss		-	-
	(d) Income tax relating to items that will be reclassified to profit or loss		-	-
			(25,044,535)	(7,941,808)
8	Total Comprehensive Income for the period		(59,124,325)	(49,577,252)
9	Earnings Per Equity Share: Basic & Diluted		(7.16)	(8.74)

Notes 1 to 48 form an integral part of the Financial Statements
As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABC7695
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

G. G. DANDEKAR MACHINE WORKS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31st MARCH 2020 (Amount in ₹)

PARTICULARS			Number of Shares	Amount
1 EQUITY SHARE CAPITAL				
Balance as at 1 April 2018			4,761,387	4,761,387
Shares issued during the year			-	-
Balance as at 31 March 2019			4,761,387	4,761,387
Shares issued during the year			-	-
Balance as at 31 March 2020			4,761,387	4,761,387
PARTICULARS	General Reserves	Retained Earnings	Other Comprehensive Income	Total
2 OTHER EQUITY				
Balance as on 31 March, 2018	97,760,971	56,626,596	243,860,228	398,247,794
Total Comprehensive Income for the year				
Profit for the year	-	(41,635,444)	-	(41,635,444)
Remeasurements gains/(loss) on defined benefit plans	-	-	555,024	555,024
Fair value changes in Equity instruments	-	-	(8,496,832)	(8,496,832)
Deferred Tax Effects	-	-	-	-
Realised Gain on Sale of Investments	-	5,085,473	(5,085,473)	-
Balance as at 31 March, 2019	97,760,971	20,076,625	230,832,947	348,670,542
Total Comprehensive Income for the year				
Profit for the year		(34,079,790)		(34,079,790)
Remeasurements gains/(loss) on defined benefit plans			163,702	163,702
Fair value changes in Equity instruments			(25,208,237)	(25,208,237)
Deferred Tax Effects				-
Realised Gain on Sale of Investments		33,406,909	(33,406,909)	-
Balance as at 31 March, 2020	97,760,971	19,403,744	172,381,503	289,546,217

Notes 1 to 48 form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABC7695
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
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Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	For the Year Ended on 31.03.2020	For the Year Ended on 31.03.2019
	₹	₹
Cash Flow from Operating Activities		
Net Profit before tax	(36,678,843)	(41,661,082)
Adjustment for:		
- Depreciation	7,546,889	21,047,595
- Gratuity	163,702	555,024
- Assets Written off	25,124	-
- Interest & Dividend received	(3,404,982)	(2,837,136)
Operating profit before working capital changes	(32,348,110)	(22,895,600)
(Increase) / Decrease in Other Non Current asset	13,500	(87,000)
(Increase) / Decrease in Inventories	1,505,594	(654,329)
(Increase) / Decrease in Trade Receivables	(7,813)	3,323,034
(Increase) / Decrease in Other Bank Balances	-	-
(Increase) / Decrease in Other Financial Assets	11,332,055	(13,111,639)
(Increase) / Decrease in Other Current Assets	(966,116)	(939,468)
Increase / (Decrease) in Provisions	(3,084,876)	(138,550)
Increase / (Decrease) in Trade Payables	7,007,534	5,683,652
Increase / (Decrease) in Other Financial Liabilities	(8,404,918)	117,063
Increase / (Decrease) in Other Current Liabilities	4,018,252	1,598,628
Cash generated from operations	(20,934,899)	(27,104,209)
Direct Taxes (Paid)/Refunded	(5,085,641)	(1,440,501)
Net cash from operating activities	(26,020,540)	(28,544,710)
Cash Flow from Investing Activities		
Purchase of fixed assets	-	(55,564)
Deposit with Banks	(7,000,000)	306,138
Interest & Dividend received	3,404,982	2,837,136
Proceeds / (Repayment) from Non Current Investments	34,986,088	8,175,428
Investment in Associate	(49,000)	-
Purchase of non-current investments	(3,750,000)	-
Net Cash flow from investing activities	27,592,070	11,263,138
Cash Flow from Financing Activities		
Interest paid	-	-
Net Cash flow from Financing Activities	-	-
Increase / (Decrease) in cash and cash equivalents	1,571,530	(17,281,572)
Cash and cash equivalents at beginning of the year	381,337	17,662,908
Cash and cash equivalents at end of the year	1,952,867	381,337

Notes 1 to 48 form an integral part of the Financial Statements
As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABC7695
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2020
1. Company Overview:

G. G. Dandekar Machine Works Limited ('the Company') is a Public Limited Company domiciled and registered in India. The Registered Office of the Company is situated at 211/A, MIDC Butibori Industrial Area, Kinhi Village, Tal. Hingna, Dist. Nagpur 441122. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE). The Company is engaged in the manufacturing of "Food Processing Machineries". These standalone financial statements were approved for issue by the Board of Directors on 28 July, 2020.

2. Basis of Preparation, Presentation and Measurement:

These financial statements of the Company comply in all material respects, with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 ('Rules'), as amended and other relevant provisions of the Act.

These financial statements have been prepared on an accrual basis and under historical cost convention, except for certain financial assets and financial liabilities that have been measured at fair value.

These financial statements are presented in Indian Rupees (₹), unless otherwise stated.

3. Basis of Current and Non-Current Classification:

All assets and liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of the activities and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current/ Non-Current classification of assets and liabilities. Accordingly, an asset is treated as current when it is expected to be realised within twelve months after the reporting period, and a liability is current when it is due to be settled within twelve months after the reporting period.

4. Use of Estimates:

The preparation of Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that may affect the reported amounts in the Balance Sheet, Statement of Profit and Loss and related disclosures of the contingent liabilities and others at the end of each reported period.

The estimates are based on the management's best knowledge of current events and actions. However, due to uncertainties relating to these judgments, assumptions and estimates, the actual amounts may differ. Estimates and underlying assumptions are reviewed on an ongoing basis on each reporting date and may change from period to period. Appropriate changes in estimates are made prospectively, when the management becomes aware of changes in circumstances surrounding the estimates and the differences, if any, between the actual results and estimates are recognized in the period in which the results are known or materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

5. Significant Accounting Policies:**5.1. Property, Plant and Equipment (PPE)-**

An item of PPE is recognised 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. PPE is stated at its original cost net of tax / duty credits availed, if any, but including borrowing costs for qualifying assets and other attributable costs incurred for bringing the asset to its working condition for its intended use, less accumulated depreciation and cumulative impairment, if any.

Subsequent expenditure incurred is included in the asset's carrying amount appropriately, only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of Profit and Loss during the reporting period in which they are incurred.

Items of PPE not ready for its intended use on the reporting date are disclosed as "Capital Work in Progress".

An item of PPE is de-recognized upon disposal or when retired from active use when no future benefits are expected from its use. Gains/ losses on de-recognition are recognized in the statement of Profit and Loss.

5.2. Intangible Assets-

An Intangible asset is recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably and is stated at cost less accumulated amortization and impairments, if any.

Software, which is not an integral part of any related hardware, is classified as an intangible asset.

The carrying amount of an intangible asset is de-recognized on disposal or when no future economic benefits are expected to flow from its use or disposal. The gain or loss arising from de-recognition is recognized in the Statement of Profit and Loss.

5.3. Depreciation and Amortization-

- a. Depreciation on fixed assets is charged on Written Down Value method using the useful lives and residual values of all the assets, as prescribed under Part – C of Schedule II to the Companies Act, 2013, except as stated in para (b) & (c) below
- b. Leasehold land is amortized on straight line basis over the period of lease.
- c. Computer Software are being amortized on Straight Line basis over a period of 6 years.

5.4. Non- Current Assets Held for Sale-

The Company classifies non-current assets as held for sale if their carrying amounts are expected to be recovered principally through sale transaction rather than through continuing use. Non-current assets, classified as held for sale are measured at the lower of their carrying amounts and the fair value less costs to sell. The criteria for assets held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

5.5. Impairment of Non-Financial Assets-

As at each reporting date, the Company assesses the situation, whether there is an indication that a non-financial asset is required to be impaired and also whether there is an indication of reversal of impairment, if any, recognized in the previous periods. The impairment loss, if any, is recognized in the statement of profit and loss. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

5.6. Financial Instruments-

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

a) Financial Assets-

i. Initial Recognition

All financial assets are recognised initially at transaction value and where such transaction values are different from fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of such financial assets on initial recognition.

ii. Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets measured at Amortised Cost

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent measurement is done using effective interest rate (EIR) method and resultant interest income from these financial assets is included in finance income. Impairment losses and reversals thereof arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value through Other Comprehensive Income

Financial assets are measured at fair value through Other Comprehensive Income (OCI), if financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and to sell financial assets 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. Subsequent measurement, until they are derecognised or reclassified, is done at fair value and unrealised gains and losses are recognised in other comprehensive income except for the recognition of impairment losses and reversals thereof, interest revenue and foreign exchange gains and losses are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value through Profit or loss

Financial assets are measured at fair value through Profit or loss unless it is measured at amortised cost or at fair value through OCI. Subsequent measurement is done at fair value and unrealised gains and losses are recognised in the statement of profit and loss.

Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at costless impairment.

iii. Impairment of Financial Assets

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. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

The impairment provisions for financials assets are mainly based on past history, assumptions about risk of defaults, expected loss rates and timing of cash flows. As a practical expedient, the company uses a standard provision matrix. The company applies standard ECL impairment allowance based on ageing of receivables to estimate the provision amount. However, if credit risk has increased significantly, lifetime ECL is used.

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 Company expects to receive after applying a standard provision matrix. ECL impairment loss allowance or reversal thereof is recognised in the Statement of Profit and Loss.

iv. De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b. Financial Liabilities-**i. Initial Recognition**

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 that are not recognised at fair value through profit and loss account.

ii. Subsequent Measurement

For the purposes of subsequent measurement, financial liabilities are classified and measured as follows-

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. 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.

iii. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

5.7. Borrowing Costs-

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as a part of the cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they occur.

5.8. Inventories-

- a. Raw material, components, stores and spares are valued at lower of cost measured on weighted average cost basis or net realizable value. However, these items are considered to be realizable at cost if the finished products in which they will be used, are expected to be sold at or above cost
- b. Work in Progress relating to manufacturing is valued at lower of cost of production or net realizable value.
- c. Finished Goods are valued at lower of cost or net realisable value. Cost includes related overheads.

5.9. Foreign Currency Transactions-

The functional currency and presentation currency of the company is Indian Rupee. Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate prevailing on the date of transaction. The date of transaction for the purpose of determining the exchange rate to be used for initial recognition of the related asset, expense or income is when the advance consideration in foreign currency is received or paid. At each Balance Sheet date, foreign currency monetary items are restated using the closing rate. Non-monetary items are measured at historical cost and are not retranslated. Exchange differences that arise on settlement of monetary items or on restating of monetary items at each Balance Sheet date at the closing rate are recognised in the Statement of Profit and Loss in the period in which they arise.

5.10. Provisions, Contingent Liabilities and Contingent Assets-

- a. Provisions are recognized only when-
 - i. the Company has a present obligation as a result of past event (legal or constructive):
 - ii. a probable outflow of resources embodying economic benefits will be required to settle the obligation; and
 - iii. the amount of obligation can be reliably estimated.

Provision is measured using cash flows estimated to settle the present obligation. The carrying amount of provision is the present value of those cash flows.
- b. Contingent liabilities are disclosed in case of:
 - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
 - ii. a present obligation arising from past events, when no reliable estimate is possible,
 - iii. a possible obligation arising from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- c. Possible obligations arising from past events where likelihood of actual outflow of resources is remote are not considered as contingent liabilities.
- d. Contingent assets are neither recognized, nor disclosed.
- e. Provisions and Contingent Liabilities are reviewed at each Balance Sheet date.

5.11. Revenue Recognition-

a. Revenue from contracts with Customers:

Revenue is recognised when or as the entity satisfies associated performance obligation by transferring control of promised goods or services or both to a customer at an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. In case of multiple performance obligations, the revenue is recognised to the extent of transaction price allocated to the performance obligation that is satisfied.

The transaction price of goods sold and services rendered is net of variable consideration on account of discounts offered by the Company as part of the contract. Revenue is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of goods

Revenue from sale of goods is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the material is dispatched to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from services

Revenue from erection and commissioning services is recognized on completion of contractual obligations.

b. Other Revenue:

Interest income is recognized on time proportion basis determined by the amount outstanding and the rate applicable using the effective interest rate method.

Dividend income is recognized when the Company's right to receive the same is established.

5.12. Warranty expenses-

The estimated liability for product warranties is recorded at the end of financial year. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to 2 to 3 years.

5.13. Research and Development Expenses-

- a. Research and Development Expenses, other than Capital Expenses are charged to Profit and Loss Account as and when incurred.
- b. Capital expenditure incurred for research and development activities are included in respective Fixed Assets and Depreciation is provided as per rates specified, in Schedule II of the Companies Act, 2013.

5.14. Tax Expenses-

- a. Provision for Current Tax is made on the basis of taxable income for the current accounting period computed in accordance with the provisions of Income Tax Act, 1961.

The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current tax relating to items recognized outside the statement of profit and loss is recognized, either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

- b. Provision for Deferred Tax is recognized for all taxable temporary differences between carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profits and is quantified using tax rates and laws enacted or substantially enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent that it is probable that taxable profits will be available against with those deductible temporary differences can be utilized in the future.

5.15. Leases-

The Company assesses and designates a contract as a lease contract, at inception of a contract. The determination of whether an arrangement is a lease is based on the substance of the arrangement. The arrangement is a lease if fulfilment of the arrangement is dependent on the use of an identified asset or assets and the arrangement conveys a right to control use of the identified asset or assets for a period of time in exchange for a consideration, even if that right is not explicitly specified in an arrangement.

Accounting as lessee-

In case of contracts of material value where the Company is a Lessee, it recognises a right of use asset (ROU asset) and a lease liability on the commencement date of the contract.

A ROU asset is valued using cost model. At the commencement of the lease ROU asset is recognised at cost which comprises of - total lease payments to be made over the lease term valued at its present value using Company's incremental borrowing rate, initial direct costs and costs of restoration; net of lease incentives received. ROU asset is depreciated over the lease term on straight line basis over the shorter of the lease term and useful life of the underlying asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

A lease liability is recognised at present value of total lease payments to be made over the lease term using Company's incremental borrowing rate. Lease liability is increased to reflect interest on the lease liability and reduced to reflect payments made to the lessor. The carrying value of lease liability is reassessed when there is change in lease term.

The Company has availed recognition exemption and chosen not to apply the above accounting treatment for short term leases and leases for low value underlying assets where lease payment associated with those leases are recognised as an expense as and when incurred on systematic basis.

5.16. Employee Benefits-

a. Short Term Employee Benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service.

b. Post-Employment Benefits:

i. Defined Contribution Plans

The State governed Employee Provident Fund and Pension Scheme, Employees State Insurance Scheme are the defined contribution plans. The liability on account of Company's contributions paid or payable under these schemes is recognized during the period in which the employee renders the related service and is charged to the Statement of Profit and Loss. The Company has no further obligation beyond these contributions towards employees.

ii. Defined Benefit Plans

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur and not reclassified to Statement of Profit or Loss in subsequent periods.

c. Long Term Employee Benefits:

The accruing liability on account of encashment of leave entitlement of employees as per the rules of the Company is determined and provided for on the basis of the actuarial valuation from an independent actuary. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss in the period in which they occur.

5.17. Earnings Per Share-

Basic EPS amount is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

6. **Recent Accounting Pronouncements**

From time to time, the Ministry of Corporate Affairs pronounces new standards or amendments to the existing standards. Nevertheless, there is no such pronouncement since after the last reporting date which would have been applicable from 1st April 2020.

Note 7: Property, Plant and Equipment and Intangible Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION & AMORTISATION				NET BLOCK			
	As at 01 April 2019	Additions	Transferred to Held For Sale	As at 31 March 2020	As on 01 April 2019	For the Year	Transferred to Held For Sale	Deductions	Impairment	As at 31 March 2020	As on 31 March 2019
1. Property, Plant and Equipment											
Leasehold Land	23,703,452	-	-	23,703,452	2,361,902	253,060	-	-	-	2,614,962	21,088,490
Factory Building	73,284,281	-	-	73,284,281	38,678,773	3,280,612	-	-	-	41,959,385	31,324,896
Non Factory Building	63,986,390	-	-	63,986,390	23,288,064	2,041,924	-	-	-	25,329,988	38,656,402
Plant & Machinery	37,374,718	-	-	37,374,718	30,469,252	1,264,555	-	-	-	31,733,807	5,640,911
Patterns, Jigs & Moulds	4,768,905	-	-	4,768,905	2,699,105	369,866	-	-	-	3,068,971	1,699,934
Computer Machinery	3,699,043	-	-	3,699,043	3,499,255	13,445	-	-	-	3,512,700	2,069,800
Vehicle	974,795	-	-	974,795	930,914	-	-	-	-	930,914	199,788
Furniture & Fixtures and Office Equipments	4,252,811	-	-	2,188,591	3,619,858	175,925	-	2,039,105	-	1,756,678	43,881
Total (1)	212,044,395	-	-	209,980,175	105,547,123	7,399,387	-	2,039,105	-	110,907,405	99,072,770
Previous Year	213,798,060	55,564	1,809,229	212,044,395	86,295,009	9,858,312	1,518,583	-	10,912,385	105,547,123	106,497,272
2. Intangible Assets											
Software	3,629,207	-	-	402,868	3,266,866	147,502	-	3,226,330	-	188,038	214,830
Total (2)	3,629,207	-	-	402,868	3,266,866	147,502	-	3,226,330	-	188,038	214,830
Previous Year	3,629,207	-	-	3,629,207	2,989,968	276,898	-	-	-	3,266,866	362,341
TOTAL	215,673,602	-	-	210,383,043	108,813,989	7,546,889	-	5,265,435	-	111,095,443	99,287,600
											106,859,613

(Amount in ₹)

G. G. DANDEKAR MACHINE WORKS LIMITED

(Amount in ₹)

PARTICULARS	As at 31 March 2020	As at 31 March 2019
8 INVESTMENTS- NON CURRENT		
i INVESTMENT IN EQUITY INSTRUMENTS		
(a) Trade, Unquoted and fully paid up (valued at Fair Value through Other Comprehensive Income)		
1,000 (Previous Year 1,000) Equity Shares of ` 10/- each in Saraswat Co-operative Bank Limited.	10,000	10,000
1,000 (Previous year 1,000) Equity Shares of ` 10/- each in S. L. Kirloskar CSR Foundation	10,000	10,000
3,75,000 (Previous Year Nil) Equity Shares of ` 10/- each in Kirloskar Management Services Private Limited	3,750,000	-
(b) Investment in Associate Company (Trade, Unquoted and fully paid up, valued at cost)		
49,000 (Previous Year Nil) Equity Shares of ` 1/- each in Navasasayam Dandekar Private Limited	49,000	-
(c) Non Trade, Quoted and fully paid up (valued at valued at Fair Value through Other Comprehensive Income)		
50,000 Equity Shares of ` 2/- each (Previous Year 50,000 Equity Shares of ` 2/- each) in Gujarat Gas Limited	11,630,000	7,412,500
291,375 (Previous Year 291,375) Equity Shares of ` 2/- each in Indraprastha Gas Limited	113,301,169	88,723,688
29,950 (Previous Year 29,950) Equity Shares of ` 1/- each in Marico Limited	8,231,758	10,340,238
5,450 (Previous Year 5,450) Equity Shares of ` 10/- each in Lakshmi Machine Works Limited	12,536,908	33,207,122
4,901 (Previous Year 4,901) Equity Shares of ` 10/- each in ICRA Limited	10,610,665	14,219,027
15,590 (Previous Year 15,590) Equity Shares of ` 1/- each in CRISIL Limited	19,565,450	22,761,399
2,820 (Previous Year 2,820) Equity Shares of ` 10/- each in Bajaj Holdings & Investments limited	5,074,731	9,638,901
3,995 (Previous Year 3,995) Equity Shares of ` 10/- each in Bajaj Auto Limited	8,089,476	11,645,624
NIL (Previous Year 2,21,078) Equity Shares of ` 2/- each in Gruh Finance Limited**	-	61,017,528
47,786 (Previous Year Nil) Equity Shares of ` 10/- each in Bandhan Bank Limited**	9,731,619	-
Total	202,590,776	258,986,027
**Bandhan Bank Shares have been issued in a scheme of swap when Bandhan bank has taken over Gruh Finance. The company received 67,786 Shares of Bandhan Bank against 1,10,539 shares of Gruh Finance Held		
8.1 Details of Quoted Investments		
Aggregate amount of quoted investments and market value thereof		
Cost	2,83,79,477	28,890,063
Market Value	198,771,776	258,966,027
9 LOANS- NON CURRENT		
(Un-secured and considered good)		
i Security Deposits	585,800	599,300
Total	585,800	599,300

(Amount in ₹)

PARTICULARS	As at 31 March 2020	As at 31 March 2019
10 INVENTORIES		
i Raw Materials	7,468,747	7,057,543
ii Work-in-progress	1,537,823	1,590,376
iii Finished Goods	1,664,872	3,529,117
Total	10,671,442	12,177,036
11 TRADE RECEIVABLES		
Unsecured		
i Considered good	1,431,944	1,424,131
ii Considered doubtful	349,142	349,142
Less : Allowance for Expected Credit Loss	(349,142)	(349,142)
Total	1,431,944	1,424,131
12 CASH AND CASH EQUIVALENTS		
i Cash on hand	7,611	6,326
ii Balances with Banks In Current Accounts	1,945,258	375,011
Total	1,952,869	381,337
13 OTHER BANK BALANCES		
i Deposit with Bank held as security against Guarantee	7,000,000	-
Total	7,000,000	-
14 OTHER CURRENT FINANCIAL ASSETS (Unsecured)		
i Other Receivables (considered good)	677,388	423,480
ii Balance with Statutory Authorities	14,588,733	18,037,413
iii Receivable against Sale of Investments	-	8,137,283
Total	15,266,121	26,598,176
15 CURRENT TAX ASSETS (NET) Advance Income Tax (Including TDS) (Net of Provision for Tax)	17,377,304	12,291,663
Total	17,377,304	12,291,663
16 OTHER CURRENT ASSETS		
i Advances to Suppliers	2,605,640	1,542,682
ii Prepaid Expenses	19,575	133,741
iii Other Advances	99,109	81,785
Total	2,724,324	1,758,208
17 ASSETS HELD FOR SALE		
i Freehold Land	46,852	46,852
ii Factory Building	65,468	65,468
iii Non- Factory Building	290,646	290,646
Total	402,966	402,966

G. G. DANDEKAR MACHINE WORKS LIMITED

PARTICULARS	As at 31 March 2020		As at 31 March 2019	
	Number	`	Number	`
18 EQUITY SHARE CAPITAL`				
I Authorised				
Equity Shares of ₹ 1/- each	20,000,000	20,000,000	20,000,000	20,000,000
Total	20,000,000	20,000,000	20,000,000	20,000,000
ii Issued, Subscribed and fully paid up				
	4,761,387	4,761,387	4,761,387	4,761,387
Total	4,761,387	4,761,387	4,761,387	4,761,387

PARTICULARS	As at 31 March 2020		As at 31 March 2019	
	Number	`	Number	`
18.1 Reconciliation of Shares :				
Equity Shares				
Outstanding at the beginning of the year	4,761,387	4,761,387	4,761,387	4,761,387
Issued/Bought back during the year	-	-	-	-
Outstanding at the end of the year	4,761,387	4,761,387	4,761,387	4,761,387

18.2 Rights, preferences and restrictions attached to equity shares :

The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

18.3 Details of shares held by each shareholder holding more than 5% shares:

PARTICULARS	As at 31 March 2020		As at 31 March 2019	
	Number	%	Number	%
Jyotsna G. Kulkarni	954,280	20.04%	954,280	20.04%
Atul C. Kirloskar *	560,780	11.78%	560,780	11.78%
Rahul C. Kirloskar *	549,820	11.55%	549,820	11.55%
Arti A. Kirloskar	400,000	8.40%	400,000	8.40%
Alpana R. Kirloskar	400,000	8.40%	400,000	8.40%
K.V.Development & Investment Company Pvt. Ltd.	268,664	5.64%	268,664	5.64%

* In addition to above, Atul C. Kirloskar and Rahul C. Kirloskar are holding 360 shares each as Karta of Atul C. Kirloskar HUF and Rahul C. Kirloskar HUF respectively.

(Amount in ₹)

PARTICULARS	General Reserves	Retained Earnings	Other Comprehensive Income	Total
19 OTHER EQUITY				
Balance as on 31 March, 2018	97,760,971	56,626,596	243,860,228	398,247,794
Total Comprehensive Income for the year				
Profit/(Loss) for the year	-	(41,635,444)		(41,635,444)
Remeasurements gains/(loss) on defined benefit plans	-	-	555,024	555,024
Fair value changes in Equity instruments	-	-	(8,496,832)	(8,496,832)
Realised Gain on Sale of Investments		5,085,473	(5,085,473)	-
Balance as at 31 March, 2019	97,760,971	20,076,625	230,832,947	348,670,542
Total Comprehensive Income for the year				
Profit/(Loss) for the year	-	(34,079,790)	-	(34,079,790)
Remeasurements gains/(loss) on defined benefit plans	-		163,702	163,702
Fair value changes in Equity instruments	-	-	(25,208,237)	(25,208,237)
Deferred Tax Effects	-	-	-	-
Realised Gain on Sale of Investments	-	33,406,909	(33,406,909)	-
Balance as at 31 March, 2020	97,760,971	19,403,744	172,381,503	289,546,217

(Amount in `)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
20 PROVISIONS- NON CURRENT		
i Provision for Employee Benefits		
(a) Leave Encashment	220,806	205,623
Total	220,806	205,623
21 DEFERRED TAX LIABILITIES (NET)		
i Deferred Tax Liability		
On account of timing difference in Depreciation	6,848,106	9,447,159
Total	6,848,106	9,447,159
22 OTHER NON-CURRENT LIABILITIES		
i Trade & Security Deposits	106,000	106,000
Total	106,000	106,000

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(Amount in ₹)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
23 TRADE PAYABLES		
i Micro, Small and Medium Enterprises	1,976,614	159,365
ii Others for Goods and Services	29,471,875	24,281,590
Total	31,448,489	24,440,955
24 OTHER CURRENT FINANCIAL LIABILITIES		
i Expenses and Other Payables	7,305,540	15,958,224
ii Other Liabilities	872,998	269,103
iii Ex-gratia & Superannuation Payable	460,925	817,055
Total	8,639,463	17,044,382
25 OTHER CURRENT LIABILITIES		
i Advance from Customers	10,684,463	6,666,210
Total	10,684,463	6,666,210
26 PROVISIONS- CURRENT		
i Provision for Employee Benefits		
(a) Gratuity	219,160	111,749
(b) Leave Encashment	92,381	91,144
ii Others		
(a) Sales tax	5,756,726	9,100,000
(b) Warranty	967,946	833,307
Total	7,036,213	10,136,200

(Amount in ₹)

PARTICULARS	2019-20	2018-19
27 REVENUE FROM OPERATIONS		
i Sale of Products	41,926,602	47,334,147
ii Other Operating Revenue	134,931	350,284
Total	42,061,533	47,684,431
28 OTHER INCOME		
i Interest from Banks	282,255	96,504
ii Dividend	3,122,727	2,740,632
iii Sundry Provisions written back	488,685	2,091,709
iv Sundry Balances written back	-	641,600
Total	3,893,667	5,570,445

(Amount in ₹)

PARTICULARS		2019-20	2018-19
29	COST OF MATERIALS CONSUMED		
i	Raw Materials		
	Opening Stock	7,057,543	7,091,921
	Add : Purchases	21,784,359	28,298,943
		<u>28,841,902</u>	<u>35,390,864</u>
	Less : Closing Stock	7,468,747	7,057,543
		<u>21,373,155</u>	<u>28,333,321</u>
	Total	21,373,155	28,333,321
30	CHANGES IN INVENTORIES OF WORK IN PROGRESS & FINISHED GOODS		
	Opening Stock		
	Work-in-Progress	1,590,376	2,275,077
	Finished Goods	3,529,117	2,155,709
		<u>5,119,493</u>	<u>4,430,786</u>
	Less:		
	Closing Stock		
	Work-in-Progress	1,537,823	1,590,376
	Finished Goods	1,664,872	3,529,117
		<u>3,202,695</u>	<u>5,119,493</u>
	(INCREASE) / DECREASE	1,916,798	(688,707)
31	EMPLOYEE BENEFITS EXPENSES		
i	Salaries, Wages, Bonus & Other Allowances	17,851,165	21,240,302
ii	Gratuity	268,071	405,461
iii	Contribution to PF/ESI & Other Funds	514,004	532,229
iv	Staff/Labour Welfare Expenses	993,827	1,522,007
	Total	19,627,067	23,699,999

G. G. DANDEKAR MACHINE WORKS LIMITED

(Amount in ₹)

PARTICULARS		2019-20	2018-19
32	OTHER EXPENSES		
i	Rent	333,966	341,051
ii	Rates & Taxes	1,189,215	1,025,909
iii	Insurance charges	221,587	273,078
iv	After Sales Service Charges	-	205,004
v	Power & Fuel	1,492,891	1,794,462
vi	Repairs & Maintenance		
	(a) Building	45,293	10,642
	b) Plant & Machinery	184,126	32,328
	c) Other Assets	11,219	525,992
		240,638	568,962
vii	Payment to Auditors		
	a) Statutory Audit fees	325,000	325,000
	b) Tax Audit Fees	75,000	75,000
	c) Out of Pocket Expenses	48,848	105,476
		448,848	505,476
viii	Selling & Distribution Expenses		
	a) Commission on sales	713,182	922,517
	b) Sales Promotion	77,056	14,628
	c) Warranty	206,415	212,675
	d) Carriage Outward	223,752	374,596
		1,220,405	1,524,416
ix	Travelling & Conveyance	2,236,571	2,758,867
x	Communication Expenses	196,067	341,098
xi	Legal & Professional Fees	11,669,665	4,760,948
xii	Directors Sitting Fees	270,000	315,000
xiii	Security Expenses	1,491,817	1,652,400
xiv	Office & Miscellaneous Expenses	1,700,036	1,318,370
xv	Fixed Assets written off	25,124	-
xvi	Provision for Sales Tax liability	5,756,726	-
xvii	Sales Tax Paid under Amnesty Scheme	3,676,578	-
xviii	Bad Debts written off	-	2,181,709
xix	Labour Compensation	-	2,957,000
	Total	32,170,134	22,523,750

Note C: NOTES FORMING PART OF ACCOUNTS- Other Notes**33. Contingent Liabilities not provided for in respect of:**

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
A.	Disputed Liabilities in respect of Income Tax	7,04,94,332	7,21,49,992
B.	Disputed Liabilities in respect of Sales Tax	Nil	5,85,56,503
C.	Disputed Liabilities in respect of Wealth Tax	22,63,846	22,63,846
D.	Claims against the Company by the Creditors not acknowledged as debts	6,00,174	Nil
E.	Bank Guarantee provided in respect of Labour NOC	70,00,000	Nil
F.	Certain parties have either filed cases against the company, or the Company has been made a party in respect of certain transactions relating to sale of land. The Company has been legally advised that it is in a position to defend its stand and as such does not expect any material financial liability.		

34. Disclosure pursuant to Ind AS 12 'Income Taxes':

(Amount in ₹)

PARTICULARS	2019-20	2018-19
a) Major Components of Tax Expense / (Income):		
Current income tax charge		
Current income tax	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	(25,99,053)	(25,638)
Net Tax expense	(25,99,053)	(25,638)

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Accounting profit /(loss) before tax	(3,66,78,843)	(4,16,61,082)
Statutory income tax rate (MAT rate)	19.24	19.24
Tax at statutory income tax rate on profit as per books	-	-
Tax impact of difference in depreciation as per books and income tax act	-	-
Tax impact of expenses not deductible	-	-
Tax impact on expenses allowable under MAT	-	-
Others -	-	-
Tax relating to earlier period	-	-
Income Tax expense reported in the statement of profit & loss	-	-

PARTICULARS	2019-20	2018-19
Income Tax Assets	4,45,52,106	3,94,66,465
Income Tax Liabilities	(2,71,74,802)	(2,71,74,802)
Net Current Income tax assets at the end	1,73,77,304	1,22,91,663

G. G. DANDEKAR MACHINE WORKS LIMITED

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Net Income Tax Asset as at the beginning	12,291,663	10,851,162
Income Tax paid / TDS	50,85,641	1,440,501
Current income tax expenses	-	-
Net refund received for earlier years	-	-
Income Tax for earlier years	-	-
Net income tax Asset as at the end	1,73,77,304	12,291,663

(e) Reconciliation of Deferred tax assets/liabilities:

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Deferred Tax Liabilities (Net) as at the beginning	(94,47,159)	(94,72,796)
Deferred Tax Income/ Expense recognized in Statement of Profit & Loss:		
Difference between WDV of PPE as per books & Income Tax	25,99,053	25,638
Deferred Tax Liabilities (Net) as at the end	(68,48,106)	(94,47,159)

35. Disclosure pursuant to Ind AS 19 on 'Employee Benefits'

a. Defined benefit plans: Gratuity Plan

i. General descriptions of defined benefit plans: Gratuity Plan

The Company has established a gratuity plan wherein every employee is entitled to the benefit equivalent to thirty days' salary for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

The funds are managed by LIC who have made investments as per their policy; and a detailed break-up of composition of investments made by LIC in various securities is not, at present, available.

ii. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Present Value of Obligation at the end of period	34,34,228	35,57,167
	Fair value of Plan Assets at the end of period	32,15,068	34,45,418
	Current Liability / (asset)	(2,19,160)	(1,11,749)
2	Amounts reflected in the balance sheet		
	Liabilities		
	Current Liability	2,19,160	1,11,749
	Non-Current Liability	32,15,068	34,45,418

- iii. Movement in the present value of defined obligation during the year representing reconciliation of opening and closing balances thereof are as follows:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Present value of benefit obligation at the beginning of the year	35,57,167	37,40,961
2	Transfer In/(Out)	-	-
3	Current service cost	2,60,249	3,85,974
4	Amount paid on settlement	-	-
5	Interest cost	2,32,464	2,67,280
6	Re-measurements on obligation [Actuarial (Gain) / Loss]:	(1,43,152)	(4,82,586)
7	Actuarial (Gains) / Losses arising from changes in demographic assumption	-	-
8	Financial assumption	-	-
9	Actuarial (Gains) / Losses arising from changes in experience adjustment	-	-
10	Benefits paid	(4,72,500)	(3,54,462)
11	Past Service Cost	-	-
12	Present value of Defined Benefit Obligation as at end of the year	34,34,228	35,57,167

- iv. Changes in the fair value of plan assets during the year representing reconciliation of opening and closing balances thereof are as follows:

(Amount in ₹)

Sr. No.	PARTICULARS	2019-20	2018-19
1	Fair value of Plan Assets at the beginning of the year	34,45,418	34,81,134
2	Transfer In/(Out)	-	-
3	Interest income	2,24,642	2,47,793
4	Actuarial gains / (losses)	-	-
5	Contributions from the employer	-	-
6	Re-measurement Gain (Loss): Return on plan assets, excluding amount recognized in Interest Income – Gain/ (Loss)	20,550	72,438
7	Mortality Charges & Taxes	(3,042)	(1,485)
8	Benefits paid	(4,72,500)	(3,54,462)
9	Amount paid on settlement	-	-
10	Fair value of Plan Assets as on the end of the year	32,15,068	34,45,418
11	Actual Returns on Plan Assets	2,45,192	3,20,231

- v. Expenses recognized in the statement of Profit and Loss.

(Amount in ₹)

Sr. No.	PARTICULARS	2019-20	2018-19
1	Current Service Cost	2,60,249	3,85,974
2	Net Interest Expenses	7,822	19,487
3	Settlement (Gain) / Loss	-	-
4	Past Service Cost	-	-
5	Net periodic benefit cost recognized in the statement of profit & loss at the end of period	2,68,071	4,05,461

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vi. Amount recognized in statement of other Comprehensive Income.

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Opening amount recognized in OCI outside profit & loss account	(7,56,983)	(2,01,959)
2	Re-measurement for the year- obligation (Gain) /Loss	(1,43,152)	(4,82,586)
3	Re-measurement for the year- plan asset (Gain) /Loss	(20,550)	(72,438)
4	Total Re-measurement cost/(credit) for the year recognized in OCI	(1,63,702)	(5,55,024)
5.	Closing amount recognized in OCI outside profit & loss account	(9,20,685)	(7,56,983)

vii. Actual contribution and benefit payments for the year.

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Actual benefit paid directly by the company	(4,72,500)	(3,54,462)
2	Actual contributions	Nil	Nil

viii. Assumptions:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Discount Rate	5.90%	7.00%
2	Rate of increase in compensation levels	5.00%	5.00%
3	Expected Rate of return on plan assets	7.00%	7.50%
4	Expected average remaining working lives of employees (years)*	4.19*	4.62*

*It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

ix. Sensitivity analysis: A quantitative sensitivity analysis for significant assumption is as shown below:
Effect of Defined Benefits Obligation (DBO) on account of 1% change in the assumed rates:

(Amount in ₹)

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
Year						
31-Mar-2020	33,77,062	34,94,686	34,76,638	33,93,241	34,33,816	34,34,591
31-Mar-2019	34,88,968	36,29,841	36,11,280	35,05,323	35,58,096	35,56,018

b. **Leave Encashment:**

Net (asset) / liability recognized in the Balance Sheet:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Present Value of Obligation	3,04,977	2,96,767
2	Funded Status	Nil	Nil
3	Net liability/(asset) recognized in Balance Sheet	3,04,977	2,96,767
	a) Current Liability	92,381	91,144
	b) Non-Current Liability	2,12,596	2,05,623

36. Disclosure pursuant to Ind AS-24 'Related Party Disclosures'

Name of the related party and their relatives and nature of relationship

- a) Key Management Personnel:
- i. Mangesh S. Joshi - Executive Director
Relatives of Executive Director
Wife: Ruchira M. Joshi
Son: Mayank M. Joshi
Daughter: Mihika M. Joshi
 - ii. Nihal Kulkarni – Chairman
 - iii. Smita Raichurkar – Additional Director (Non Executive) from 27-Jan-2020
 - iv. Pawan Rathi- Independent Director from 16-May-2019
 - v. Saurabh Patwardhan – Independent Director (Reappointed from 11-Sept-2019)
 - vi. Chinmay Bhandari- Additional Director (Independent) from 27-Jan-2020
 - vii. Rajesh Phadke – Independent Director till 16-May-2019
 - viii. Madhav Chandrachud- Non-Executive Director till 30-Dec-2019
 - ix. Savita Sahasrabudhe- Independent Director till 10-Sep-2019
 - x. Mahavir Barlota - Chief Financial Officer till 14-Mar-2020
 - xi. Ajay Shrivastava – Company Secretary till 09-Mar-2020
- b) Enterprise in which Directors are interested:
- i. Kloudq Technologies Ltd.
- c) Enterprise in which the Company is member:
- i. Kirloskar Management Services Private Limited
- d) Associate Companies
- I. Navasasyam Dandekar Private Limited

Details of transactions during the year with Related Party:

(Amount in ₹)

Sr. No.	PARTICULARS	FY 2019-20	FY 2018-19
1.	Remuneration to Executive Director & Key Managerial Personnel:		
	Mangesh S. Joshi	42,36,000	43,04,022
	Mahavir Barlota (from 14-02-19 to 14-03-20)	5,90,702	1,49,710
	Ajay Shrivastava (from 14-02-19 to 09-03-20)	4,10,443	1,12,774
	*Remuneration excludes statutory contributions made by Company such as Gratuity, PF, and reimbursements and perquisites etc.		
2.	Transactions with Enterprise in which Directors are interested		
	Software Subscription charges	Nil	1,51,040
3.	Payments to Directors as Sitting Fees and Reimbursements		
	Nihal Kulkarni	30,000	30,000
	Madhav Chandrachud	55,000	80,000
	Rajesh Phadke	15,000	75,000
	Saurabh Patwardhan	35,000	55,000
	Savita Sahasrabudhe	30,000	75,000
	Pawan Rathi	75,000	Nil
	Smita Raichurkar	15,000	Nil
	Chinmay Bhandari	15,000	Nil
4.	Investment in Associate Company		
	Navasasyam Dandekar Private Limited	49,000	Nil
5.	Investment in other Promoter held Company		
	Kirloskar Management Services Private Limited	37,50,000	Nil

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37. Disclosure pursuant to Ind AS - 33 'Earnings Per Share':

(Amount in ₹)

Sr. No.	PARTICULARS	2019-20	2018-19
1	Profit/ (Loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders (Amount in Rs.)	(3,40,79,790)	(4,16,35,443)
2	Weighted Average number of equity shares used as denominator for calculating EPS	4,761,387	4,761,387
3	Basic and Diluted Earnings Per Share (?)	(7.16)	(8.74)
4	Face Value per equity share (?)	1.00	1.00

38. Disclosure pursuant to Ind AS - 37 'Provisions, Contingent Liabilities and Contingent Assets'

Details of Warranty provision and its movement during the year

(Amount in ₹)

PROVISION FOR WARRANTY	FY 2019-20	FY 2018-19
Carrying amount at the beginning of the year	833,307	705,287
Additional provision made during the year	208,915	212,675
Amount used during the year	74,276	84,655
Unused amounts reversed during the year	-	-
Carrying amount at the end of the year	9,67,946	833,307

(Amount in ₹)

PROVISION FOR SALES TAX LIABILITY	FY 2019-20	FY 2018-19
Carrying amount at the beginning of the year	9,100,000	9,100,000
Additional provision made during the year	57,56,726	-
Amount used during the year	(91,00,000)	-
Unused amounts reversed during the year	-	-
Carrying amount at the end of the year	57,56,726	9,100,000

39. Disclosure pursuant to Ind AS 107 - Financial risk management

The activities of the Company expose it to a variety of financial risks. The Company's risk management policies are focused to identify the unpredictability of financial markets, put required controls, monitor and minimize potential adverse effects on its financial performance. The risk management policies and systems are reviewed periodically to reflect changes in market conditions and company's activities. Board of Directors has overall responsibility for the setup and oversight of company's risk management framework.

The company has exposure to the following risks arising from financial instruments:

(A) Credit risk; (B) Liquidity risk and (C) Market risk.

(A) Credit risk:

Credit risk refers to the risk of default on its obligation by the customer or counterparty in meeting its contractual obligations, resulting into a financial loss to the company. The maximum exposure to the credit risk is primarily from company's trade and other receivables amounting to as at March 31, 2020 Rs. 26,95,131/- and As at March 31, 2020 24,46,911/-. Details of receivables and other current assets are as per the table below:

(Amount in ₹)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
Investments	49,000	Nil
Loans	5,85,800	599,300
Trade Receivable	14,31,943	1,424,131
Cash & Cash Equivalents (Excluding Cash on Hand)	19,52,869	3,81,437
Other Bank Balances	70,00,000	-
Other Financial Assets	1,52,66,121	26,598,176
Total financial Assets Carried at Amortised Cost	2,62,85,733	2,90,03,044
Investments	20,25,41,775	25,89,86,028
Total Financial Assets Carried at Fair Value	20,25,41,775	25,89,86,028

Receivables are reviewed, managed and controlled for each customer separately. Credit risk is managed through credit approvals process by establishing credit limits and continuously monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers. Company has a practice to provide for doubtful debts on a case to case basis after considering inter-alia customer's credibility etc.

The allowance for Expected Credit Loss on customer balances for the year ended March 31, 2020 and March 31, 2019 was Rs. 3,49,142/- and Rs. 3,49,142/- respectively.

There is no significant credit risk on cash and cash equivalents as the Company generally invest in deposits with banks.

There is no significant credit risk on other receivables, which mainly comprise of security deposits and amounts with statutory authorities.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company may encounter in meeting its obligations associated with its financial liabilities on time or at a reasonable price. The Company's Accounts and Finance department is responsible for liquidity and fund flow management. In addition to that, processes and policies related to such risks are overseen by the Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. ?

The Company has no outstanding term borrowings as on 31 March 2020.

(C) Market risk:

Market risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. It comprises of below mentioned three types of risks:

- i) Currency risk
- ii) Interest rate risk
- iii) Other price risk such as equity/debt securities price risk

i) Currency risk

Currency risk refers to the risk that arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company mainly operates in Indian domestic market. The maximum exposure to the currency risk is primarily from trade payables on account of goods imported into the country. The Company does not have any foreign currency payables as at the year-end hence, the Company does not have any currency risk at present.

ii) Interest rate risk

Interest rate risk refers to the risk that fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term or short-term borrowings as on year end date hence, the Company does not have any interest risk at present.

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iii) Equity Price risk

Price risk refers to the risk of fluctuations in the value of assets and liabilities as a result of change in market prices of Investments.

The fair value of Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as at March 31, 2020 and March 31, 2019 was Rs. 19,87,71,775/- and Rs. 25,89,66,028/- respectively.

40. Disclosure pursuant to Ind AS- 108 'Operating Segments'

The Company operates in one segment namely "Food Processing Machinery".

41. Disclosure pursuant to Ind AS- 115 'Revenue from Contracts with Customers'

- a. Reconciliation of Revenue from Operations with revenue from contracts with Customers:

(Amount in `)

Sr. No.	PARTICULARS	For the Year 2019-2020	For the Year 2018-2019
1	Revenue recognized over a period of time	Nil	Nil
2	Revenue recognized at a point in time		
	-- Manufacturing Activity	4,20,61,533	4,76,84,431
3	Total Revenue from Contract with Customer (1 to 2)	4,20,61,533	4,76,84,431
4	Total Revenue from Operations as per Note No. 27	4,20,61,533	4,76,84,431

b. Particulars of Performance obligations relating to Revenue from Contract with Customers- Manufacturing Activities

The Company is manufacturer of Machinery for Rice Milling. The performance obligations of the company for these activities are generally satisfied as and when goods are delivered and/or erected as the case may be depending upon terms of respective contracts. Payments are received in advance and/or as per pre-decided milestones depending on the terms of the respective contracts.

- c. As the entire revenue is recognized 'at point in time' there are no contract assets and contract liabilities for the Company
- d. The Company has opted for practical expedient as all the performance obligations have an original expected duration of one year or less. Hence, disclosure regarding 'transaction price allocated to the remaining performance obligations' is not required

42. Disclosure pursuant to Ind AS- 116 'Leases'

The Company has adopted Ind AS 116 effective 1st April, 2019. The Company's leases mainly comprise of leasehold land and residential premises and office equipment.

Company has taken exemptions for not to consider the leases under IND AS 116 which have non-cancellable period (Lock in period) or lease period of 12 months or less as on initial application date.

The Company has elected not to classify low value items lease under Leases as permitted by Para 5 of INDAS 116.

Accordingly, During the year, the Company paid lease rent aggregating to Rs. 3,33,966/- (Previous Year: Rs. 3,41,051/).

43. During the year, the Company sold certain investments being equity shares of listed companies, for Rs. 3,49,86,088/-. The sale resulted in a Profit of Rs. 3,34,06,909/- which has been transferred to Retained Earnings with corresponding adjustment in the 'Other Comprehensive Income' under Other Equity.

44. During the year the Company has entered into a joint venture with other industry experts in grain processing technology and formed a joint venture company 'Navasasyam Dandekar Private Limited (NDPL)'. The Company holds 49% stake in the JV Company. The JV Company has been incorporated' in November 2019 and has started its commercial operations from in the last quarter of the Financial Year. The Company is engaged in the business of machinery for processing of grains, pulses (dal), cereals, legumes, oil seeds, animal feed, breweries, seed spices, tropical spices, paddy, rice etc. in India and overseas.

Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries: Not Applicable**Part “B”: Associates and Joint Ventures**

Name of Associates/Joint Ventures	Navasasyam Dandekar Private Limited
1. Latest audited Balance Sheet Date	31-03-2020
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	49,000 out of 100,000
Amount of Investment in Associates/Joint Venture	Rs. 49,000/-
Extend of Holding %	49%
3. Description of how there is significant influence	Common Directors and Shareholding of 49%
4. Reason why the associate/joint venture is not consolidated	N.A
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 325,463/-
6. Profit / Loss for the year	Rs. 225,463/-
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	NA

45. During the year, the Company opted for the Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Ordinance, 2019 (the Amnesty Scheme) for the period FY 2010-11 to FY 2015-16 and settled the liability under the amnesty scheme by making payment of Rs. 90,74,171/-.

46. Business implications of COVID -19:

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on February 11, 2020. The impact of COVID-19 in the fourth quarter of the financial year 2019-20 on the Company was not significant. The spread of Covid-19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic. The company has considered the possible effect that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets and also on the future performance of the company. On the basis of evaluation and current indicators of the future economic scenario, the company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, impact assessment of COVID -19 is a continuous process, given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

47. In cases where letters of confirmation have been received from parties, book balance have been generally reconciled and adjusted, if required. In other cases, balance in accounts of sundry debtors, sundry creditors and advances or deposits have been taken as per books of account.

48. The Company owes amounts to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. The disclosure pursuant to the said Act are as under:

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(Amount in ₹)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
Principal Amount due to supplier under MSMED	19,76,614	1,59,365
Interest accrued, due to supplier under MSMED Act on the above & unpaid	5,42,051	31,238
Payment made to suppliers (other than interest) beyond appointed day during the year	99,452	4,18,623
Interest paid to suppliers under MSMED Act (other than Sec 16)	-	-
Interest paid to suppliers under MSMED Act (under Sec 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payment already made	5,42,051	1,74,983
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	5,42,051	1,74,983

49. Previous year's figures have been regrouped and /or rearranged wherever necessary

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates,
Chartered Accountants,
[F. R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN:20139656AAAABC7695
Place: Pune
Date: July 28, 2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Mangesh Joshi
Executive Director
DIN:07244555

Sd/-
Nihal Kulkarni
Chairman
DIN:01139147

Independent Auditor's Report

To the Members of
G. G. Dandekar Machine Works Limited,
Nagpur.

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of G. G. Dandekar Machine Works Limited ("the Holding Company") which includes share of profit in its associate company (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information.
2. 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, including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Group as at 31 March, 2020, and total comprehensive income (financial performance comprising loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. Description of each key audit matter in accordance with SA 701.

Sr. No.	The key audit matters	How our audit addressed the key audit matters
1.	<p><u>Decline in the turnover of the manufacturing activity of the Holding Company:</u></p> <p>There has been decline in the turnover of the manufacturing activity of the Holding Company over the years. The activity is also facing a situation of negative working capital. This has resulted in piling up of creditors even after the funds infusion. This has also adversely affected the manufacturing schedules and consequently resulted in delays in execution of sales orders.</p>	<ul style="list-style-type: none"> • We discussed with the Management and Management informed us initiatives/ efforts taken by the Holding Company to streamline the operations. • To overcome these issues, during the year, the Holding Company has promoted another associate private limited company 'Navasasyam Dandekar Private Limited (NDPL)' with certain industry experts in grain processing technology. NDPL is engaged in the business of machinery for processing of grains, pulses (dal), cereals, legumes, oil seeds, animal feed, breweries, seed spices, tropical spices, paddy, rice etc. in India and overseas. As per the audited financial statements of the NDPL for FY 2019-20 operations have resulted in profits. • We are informed that the Management is hopeful of achieving business synergy and growth in the manufacturing activity of the Holding Company with the promotion of the NDPL. The management is confident that above steps will help to streamline the operations

G. G. DANDEKAR MACHINE WORKS LIMITED

Sr. No.	The key audit matters	How our audit addressed the key audit matters
2.	<p><u>Assessments/ litigations in respect of Sales Tax:</u></p> <p>The Holding Company had pending litigations in respect of certain sales tax matters.</p> <p>During the year, the Holding Company opted for the Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee Ordinance, 2019 (the Amnesty Scheme) for the period FY 2010-11 to FY 2015-16 and settled the liability under the amnesty scheme amounting to Rs. 90.74 lakhs.</p> <p>Further, for period April, 2016 to June, 2018, the Holding Company has provided for sales tax liability on account of C-forms not received.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> • We read and analysed Amnesty Orders, relevant correspondences, external legal consultations undertaken by the Management for uncertain tax positions; • We discussed with the Management and evaluated Management's assumptions in estimating the tax provisions and assessed Management's estimate of the possible outcome of the disputed cases.

Other Information

6. The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements, standalone financial statements and our auditors report thereon.
7. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the associate company audited by the other auditors, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to associate company, is traced from their financial statements audited by the other auditors. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is 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 financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its associate company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules").
9. The respective Board of Directors of the companies included in the Group and of its associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.
10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing ability of respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing financial reporting process of the Group and of its associates.

Auditor's Responsibility for the audit of the consolidated financial statements

11. 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.

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 holding company has adequate internal financial controls 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 ability of the Group and its associates 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 and its associates 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.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. For the entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative 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 consolidated financial statements.
14. We communicate with those charged with governance of the Holding Company 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.
15. 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.
16. 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

17. The Financial Statements of the Holding Company for the period ended 31 March, 2019 were audited by the previous auditors and they have issued unmodified report on the same.
18. We did not audit financial information of an associate entity; whose financial statements reflect total assets of Rs. 3,25,463/- as at 31 March 2020 and total revenues of Rs. 2,80,70,164/-, total net profit after tax of Rs. 2,25,463/- for the year ended 31 March 2020. Financial Statements of above entity have been audited by its independent auditor. The

G. G. DANDEKAR MACHINE WORKS LIMITED

independent auditor's report on the financial statements of this entity have been furnished to us and our opinion on consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated above. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

19. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial information of the associates referred to in the Other Matters section above we report, to the extent applicable, 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 aforesaid consolidated financial statements.
 - 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 and the reports of the other auditors.
 - c) The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the Directors of the Holding Company as on 31 March, 2020, and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company, none of the Directors of the Group companies are disqualified as on 31 March, 2020 from being appointed as a Director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-A" which is based on the auditors' reports of the Holding Company and its associate company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of that company.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate;
 - ii. The Group did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses; and
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - h) With respect to the matter to be included in the Auditors' Report under section 197(16):

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

For Kulkarni Soman & Associates,
Chartered Accountants,
[F.R.No. 139786 – W]

Bageshri Kulkarni
Partner
M.No. 139656
UDIN:20139656AAAABD7818

Place : Pune
Date : 28.07.2020

“Annexure–A” to the Independent Auditor's Report

(Referred to in Paragraph 19(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013('the Act')

1. We have audited the internal financial controls over financial reporting of G. G. Dandekar Machine Works Limited (“the Holding Company”) and its associate company as of 31 March, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its associate company are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 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 ('the Act').

Auditor's Responsibility

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its associates based on our audit. We conducted our audit in accordance with the 'Guidance Note' issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.
4. 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Holding Company and its associate company.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

G. G. DANDEKAR MACHINE WORKS LIMITED

Opinion

8. In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its associate company have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to associate company is based solely on the corresponding report of the auditors of such company. Our opinion is not modified in respect of this matter.

For Kulkarni Soman & Associates,
Chartered Accountants,
[F.R.No. 139786 – W]

Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABD7818

Place : Pune
Date : 28.07.2020

G. G. DANDEKAR MACHINE WORKS LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

Sr.No.	PARTICULARS	Note No.	AS AT 31.03.2020	AS AT 31.03.2019
			₹	₹
	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	7	99,072,770	106,497,272
	(b) Intangible Assets	7	214,830	362,341
	(c) Financial Assets			
	(i) Investments	8	202,701,252	258,986,027
	(ii) Loans	9	585,800	599,300
			<u>302,574,652</u>	<u>366,444,940</u>
2	Current assets			
	(a) Inventories	10	10,671,442	12,177,036
	(b) Financial Assets			
	(i) Trade Receivables	11	1,431,944	1,424,131
	(ii) Cash and Cash Equivalents	12	1,952,869	381,337
	(iii) Bank Balances other than (iii) above	13	7,000,000	-
	(v) Loans		-	-
	(iv) Others	14	15,266,121	26,598,176
	(c) Current Tax Assets (Net)	15	17,377,304	12,291,663
	(d) Other Current Assets	16	2,724,324	1,758,208
			<u>56,424,004</u>	<u>54,630,551</u>
3	Assets classified as held for sale	17	402,966	402,966
	TOTAL		<u>359,401,622</u>	<u>421,478,457</u>
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	18	4,761,387	4,761,387
	(b) Other equity	19	289,656,695	348,670,542
			<u>294,418,082</u>	<u>353,431,929</u>
	Liabilities			
1	Non-current liabilities			
	(a) Provisions	20	220,806	205,623
	(b) Deferred Tax Liabilities (Net)	21	6,848,106	9,447,159
	(c) Other Non-Current Liabilities	22	106,000	106,000
			<u>7,174,912</u>	<u>9,758,782</u>
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(i) Trade Payables	23	31,448,489	24,440,955
	(ii) Other Financial Liabilities	24	8,639,463	17,044,382
	(b) Other Current Liabilities	25	10,684,463	6,666,210
	(c) Provisions	26	7,036,213	10,136,200
			<u>57,808,628</u>	<u>58,287,746</u>
3	Liabilities associated with assets held for sale		-	-
	TOTAL		<u>359,401,622</u>	<u>421,478,457</u>

Notes 1 to 48 form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABD7818
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Sr.No.	PARTICULARS	Note No.	For the year ended on 31st March, 2020 ₹	For the year ended on 31st March, 2019 ₹
1	INCOME			
	(a) Revenue from Operations	27	42,061,533	47,684,431
	(b) Other Income	28	3,893,667	5,570,445
	Total Income		45,955,200	53,254,876
2	EXPENSES			
	(a) Cost of Materials Consumed	29	21,373,155	28,333,321
	(b) Changes in Inventories of Finished Goods, Work-in-progress & Stock-in-trade	30	1,916,798	(688,707)
	(c) Employee Benefits Expense	31	19,627,067	23,699,999
	(d) Depreciation and Amortisation Expense	7	7,546,889	21,047,595
	(e) Operational & Other Expenses	32	32,170,134	22,523,750
	Total Expenses		82,634,043	94,915,958
3	Profit/ (Loss) before exceptional items and tax		(36,678,843)	(41,661,082)
	Add / (Less): Exceptional Items		-	-
4	Profit/ (Loss) Before Tax		(36,678,843)	(41,661,082)
5	Less: Tax Expense			
	(a) Current Tax		-	-
	(b) Tax relating to prior period		-	-
	(c) Deferred Tax		(2,599,053)	(25,638)
			(2,599,053)	(25,638)
6	Profit after tax but before share in profit of Associate Company for the year		(34,079,790)	(41,635,444)
7	Share in Profit/ (Loss) of Associate Company		110,477	-
8	Profit/ (Loss) for the Period		(33,969,313)	(41,635,444)
7	Other Comprehensive Income			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		163,702	555,024
	Changes in fair value of FVOCI Equity Instruments		(25,208,237)	(8,496,832)
	(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
	(c) Items that will be reclassified to profit or loss		-	-
	(d) Income tax relating to items that will be reclassified to profit or loss		-	-
			(25,044,535)	(7,941,808)
8	Total Comprehensive Income for the period		(59,013,848)	(49,577,252)
9	Earnings Per Equity Share:			
	Basic & Diluted		(7.13)	(8.74)

Notes 1 to 48 form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABD7818
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

G. G. DANDEKAR MACHINE WORKS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31st MARCH 2020

(Amount in ₹)

PARTICULARS			Number of Shares	Amount
1 EQUITY SHARE CAPITAL				
Balance as at 1 April 2018			4,761,387	4,761,387
Shares issued during the year			-	-
Balance as at 31 March 2019			4,761,387	4,761,387
Shares issued during the year			-	-
Balance as at 31 March 2020			4,761,387	4,761,387
PARTICULARS	General Reserves	Retained Earnings	Other Comprehensive Income	Total
2 OTHER EQUITY				
Balance as on 31 March, 2018	97,760,971	56,626,596	243,860,228	398,247,794
Total Comprehensive Income for the year				
Profit for the year	-	(41,635,444)	-	(41,635,444)
Remeasurements gains/(loss) on defined benefit plans	-	-	555,024	555,024
Fair value changes in Equity instruments	-	-	(8,496,832)	(8,496,832)
Deferred Tax Effects	-	-	-	-
Realised Gain on Sale of Investments	-	5,085,473	(5,085,473)	-
Balance as at 31 March, 2019	97,760,971	20,076,625	230,832,947	348,670,542
Total Comprehensive Income for the year				
Profit for the year		(33,969,313)		(33,969,313)
Remeasurements gains/(loss) on defined benefit plans			163,702	163,702
Fair value changes in Equity instruments			(25,208,237)	(25,208,237)
Deferred Tax Effects				-
Realised Gain on Sale of Investments		33,406,909	(33,406,909)	-
Balance as at 31 March, 2020	97,760,971	19,514,221	172,381,503	289,656,695

Notes 1 to 48 form an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABD7818
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	For the Year Ended on 31.03.2020	For the Year Ended on 31.03.2019
	₹	₹
Cash Flow from Operating Activities		
Net Profit before tax	(36,678,843)	(41,661,082)
Adjustment for:		
- Depreciation	7,546,889	21,047,595
- Gratuity	163,702	555,024
- Assets Written off	25,124	-
- Interest & Dividend received	(3,404,982)	(2,837,136)
Operating profit before working capital changes	(32,348,110)	(22,895,600)
(Increase) / Decrease in Other Non Current asset	13,500	(87,000)
(Increase) / Decrease in Inventories	1,505,594	(654,329)
(Increase) / Decrease in Trade Receivables	(7,813)	3,323,034
(Increase) / Decrease in Other Bank Balances	-	-
(Increase) / Decrease in Other Financial Assets	11,332,055	(13,111,639)
(Increase) / Decrease in Other Current Assets	(966,116)	(939,468)
Increase / (Decrease) in Provisions	(3,084,876)	(138,550)
Increase / (Decrease) in Trade Payables	7,007,534	5,683,652
Increase / (Decrease) in Other Financial Liabilities	(8,404,918)	117,063
Increase / (Decrease) in Other Current Liabilities	4,018,252	1,598,628
Cash generated from operations	(20,934,898)	(27,104,209)
Direct Taxes (Paid)/Refunded	(5,085,641)	(1,440,501)
Net cash from operating activities	(26,020,539)	(28,544,710)
Cash Flow from Investing Activities		
Purchase of fixed assets	-	(55,564)
Deposit with Banks	(7,000,000)	306,138
Interest & Dividend received	3,404,982	2,837,136
Proceeds / (Repayment) from Non Current Investments	34,986,088	8,175,428
Investment in Associate	(49,000)	-
Purchase of non-current investments	(3,750,000)	-
Net Cash flow from investing activities	27,592,070	11,263,138
Cash Flow from Financing Activities		
Interest paid	-	-
Net Cash flow from Financing Activities	-	-
Increase / (Decrease) in cash and cash equivalents	1,571,531	(17,281,572)
Cash and cash equivalents at beginning of the year	381,337	17,662,908
Cash and cash equivalents at end of the year	1,952,867	381,337

Notes 1 to 48 form an integral part of the Financial Statements
As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates
Chartered Accountants
[F.R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAAABD7818
Place : Pune
Date : 28-July-2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2020

1. Corporate Overview:

G. G. Dandekar Machine Works Limited ('the Holding Company') is a Public Limited Company domiciled and registered in India. The Registered Office of the Holding Company is situated at 211/A, MIDC Butibori Industrial Area, Kinhi Village, Tal. Hingna, Dist. Nagpur 441122. The equity shares of the Holding Company are listed on the Bombay Stock Exchange (BSE).

The Consolidated Financial Statements comprise the financial statements of the Holding Company and its associate entity (together referred to as "the Group").

The Group is engaged in the manufacturing of "Food Processing Machineries".

These consolidated financial statements were approved for issue by the Board of Directors on Tuesday July 28th, 2020.

2. Basis of Preparation, Presentation and Measurement:

These consolidated financial statements of the Company comply in all material respects, with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 ('Rules'), as amended and other relevant provisions of the Act.

These consolidated financial statements have been prepared on an accrual basis and under historical cost convention, except for certain financial assets and financial liabilities that have been measured at fair value.

These consolidated financial statements are presented in Indian Rupees (₹), unless otherwise stated.

2.A Basis and Principles of Consolidation:

- a. The consolidated financial statements incorporate the financial statements of the Holding Company and its Associate entity.
- b. When the Group has significant influence over the other entity, it recognises such interests as associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.
- c. The results of associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable.
- d. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements.

3. Basis of Current and Non-Current Classification:

All assets and liabilities have been classified as Current or Non-Current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of the activities and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of Current/ Non-Current classification of assets and liabilities. Accordingly, asset is treated as current when it is expected to be realised within twelve months after the reporting period, and liability is current when it is due to be settled within twelve months after the reporting period.

4. Use of Estimates:

The preparation of Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that may affect the reported amounts in the Balance Sheet, Statement of Profit and Loss and related disclosures of the contingent liabilities and others at the end of each reported period.

The estimates are based on the management's best knowledge of current events and actions. However, due to uncertainties relating to these judgments, assumptions and estimates, the actual amounts may differ. Estimates and underlying assumptions are reviewed on an ongoing basis on each reporting date and may change from period to period. Appropriate changes in estimates are made prospectively, when the management becomes aware of changes in circumstances surrounding the estimates and the differences, if any, between the actual results and estimates are recognized in the period in which the results are known or materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

5. Significant Accounting Policies:

5.1. Property, Plant and Equipment (PPE)-

An item of PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at its original cost net of tax / duty credits availed, if any, but including borrowing costs for qualifying assets and other attributable costs incurred for bringing the asset to its working condition for its intended use, less accumulated depreciation and cumulative impairment, if any.

Subsequent expenditure incurred is included in the asset's carrying amount appropriately, only when it is probable that future economic benefits associated with the item will flow to the Group and cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of Profit and Loss during the reporting period in which they are incurred.

Items of PPE not ready for its intended use on the reporting date are disclosed as "Capital Work in Progress".

An item of PPE is de-recognized upon disposal or when retired from active use when no future benefits are expected from its use. Gains/ losses on de-recognition are recognized in the statement of Profit and Loss.

5.2. Intangible Assets-

An Intangible asset is recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably and is stated at cost less accumulated amortization and impairments, if any.

Software, which is not an integral part of any related hardware, is classified as an intangible asset.

The carrying amount of an intangible asset is de-recognized on disposal or when no future economic benefits are expected to flow from its use or disposal. The gain or loss arising from de-recognition is recognized in the Statement of Profit and Loss.

5.3. Depreciation and Amortization-

a. Depreciation on fixed assets is charged on Written Down Value method using the useful lives and residual values of all the assets, as prescribed under Part – C of Schedule II to the Companies Act, 2013, except as stated in para (b) & (c) below

b. Leasehold land is amortized on straight line basis over the period of lease.

c. Computer Software are being amortized on Straight Line basis over a period of 6 years.

5.4. Non- Current Assets Held for Sale-

The Group classifies non-current assets as held for sale if their carrying amounts are expected to be recovered principally through sale transaction rather than through continuing use. Non-current assets, classified as held for sale are measured at the lower of their carrying amounts and the fair value less costs to sell. The criteria for assets held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

5.5. Impairment of Non-Financial Assets-

As at each reporting date, the Group assesses the situation, whether there is an indication that a non-financial asset is required to be impaired and also whether there is an indication of reversal of impairment, if any, recognized in the previous periods. The impairment loss, if any, is recognized in the statement of profit and loss. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

5.6. Financial Instruments-

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

a) Financial Assets-

i. Initial Recognition

All financial assets are recognised initially at transaction value and where such transaction values are different from fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of such financial assets on initial recognition.

ii. Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets measured at Amortised Cost

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent measurement is done using effective interest rate (EIR) method and resultant interest income from these financial assets is included in finance income. Impairment losses and reversals thereof arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value through Other Comprehensive Income

Financial assets are measured at fair value through Other Comprehensive Income (OCI), if financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and to sell financial assets 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. Subsequent measurement, until they are derecognised or reclassified, is done at fair value and unrealised gains and losses are recognised in other comprehensive income except for the recognition of impairment losses and reversals thereof, interest revenue and foreign exchange gains and losses are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value through Profit or loss

Financial assets are measured at fair value through Profit or loss unless it is measured at amortised cost or at fair value through OCI. Subsequent measurement is done at fair value and unrealised gains and losses are recognised in the statement of profit and loss.

Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at cost less impairment.

iii. Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

The impairment provisions for financials assets are mainly based on past history, assumptions about risk of defaults, expected loss rates and timing of cash flows. As a practical expedient, the Group uses a standard provision matrix. The Group applies standard ECL impairment allowance based on ageing of receivables to estimate the provision amount. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive after applying a standard provision matrix. ECL impairment loss allowance or reversal thereof is recognised in the Statement of Profit and Loss.

iv. De-recognition of Financial Assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b. Financial Liabilities-

I. Initial Recognition

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 that are not recognised at fair value through profit and loss account.

ii. Subsequent Measurement

For the purposes of subsequent measurement, financial liabilities are classified and measured as follows-

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. 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.

iii. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

5.7. Borrowing Costs-

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as a part of the cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they occur.

5.8. Inventories-

- a. Raw material, components, stores and spares are valued at lower of cost measured on weighted average cost basis or net realizable value. However, these items are considered to be realizable at cost if the finished products in which they will be used, are expected to be sold at or above cost
- b. Work in Progress relating to manufacturing is valued at lower of cost of production or net realizable value.
- c. Finished Goods are valued at lower of cost or net realisable value. Cost includes related overheads.

5.9. Foreign Currency Transactions-

The functional currency and presentation currency of the Group is Indian Rupee. Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate prevailing on the date of transaction. The date of transaction for the purpose of determining the exchange rate to be used for initial recognition of the related asset, expense or income is when the advance consideration in foreign currency is received or paid. At each Balance Sheet date, foreign currency monetary items are restated using the closing rate. Non-monetary items are measured at historical cost and are not retranslated. Exchange differences that arise on settlement of monetary items or on restating of monetary items at each Balance Sheet date at the closing rate are recognised in the Statement of Profit and Loss in the period in which they arise.

5.10. Provisions, Contingent Liabilities and Contingent Assets-

- a. Provisions are recognized only when-
 - i. the Group has a present obligation as a result of past event (legal or constructive);
 - ii. a probable outflow of resources embodying economic benefits will be required to settle the obligation; and

- iii. the amount of obligation can be reliably estimated.

Provision is measured using cash flows estimated to settle the present obligation. The carrying amount of provision is the present value of those cash flows.

b. Contingent liabilities are disclosed in case of:

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- ii. a present obligation arising from past events, when no reliable estimate is possible,
- iii. a possible obligation arising from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

c. Possible obligations arising from past events where likelihood of actual outflow of resources is remote are not considered as contingent liabilities.

d. Contingent assets are neither recognized, nor disclosed.

e. Provisions and Contingent Liabilities are reviewed at each Balance Sheet date.

5.11. Revenue Recognition-

a. Revenue from contracts with Customers:

Revenue is recognised when or as the entity satisfies associated performance obligation by transferring control of promised goods or services or both to a customer at an amount that reflects the consideration which the Group expects to receive in exchange for those goods or services. In case of multiple performance obligations, the revenue is recognised to the extent of transaction price allocated to the performance obligation that is satisfied.

The transaction price of goods sold and services rendered is net of variable consideration on account of discounts offered by the Group as part of the contract. Revenue is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of goods

Revenue from sale of goods is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the material is dispatched to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from services

Revenue from erection and commissioning services is recognized on completion of contractual obligations.

b. Other Revenue:

Interest income is recognized on time proportion basis determined by the amount outstanding and the rate applicable using the effective interest rate method.

Dividend income is recognized when the Group's right to receive the same is established.

5.12. Warranty expenses-

The estimated liability for product warranties is recorded at the end of financial year. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to 2 to 3 years.

5.13. Research and Development Expenses-

- a. Research and Development Expenses, other than Capital Expenses are charged to Profit and Loss Account as and when incurred.
- b. Capital expenditure incurred for research and development activities are included in respective Fixed Assets and Depreciation is provided as per rates specified, in Schedule II of the Companies Act, 2013.

5.14. Tax Expenses-

- a. Provision for Current Tax is made on the basis of taxable income for the current accounting period computed in accordance with the provisions of Income Tax Act, 1961.

The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized, either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

- b. Provision for Deferred Tax is recognized for all taxable temporary differences between carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profits and is quantified using tax rates and laws enacted or substantially enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent that it is probable that taxable profits will be available against with those deductible temporary differences can be utilized in the future.

5.15. Leases-

The Group assesses and designates a contract as a lease contract, at inception of a contract. The determination of whether an arrangement is a lease is based on the substance of the arrangement. The arrangement is a lease if fulfilment of the arrangement is dependent on the use of identified asset or assets and the arrangement conveys a right to control use of the identified asset or assets for a period of time in exchange for a consideration, even if that right is not explicitly specified in an arrangement.

Accounting as lessee-

In case of contracts of material value where the Group is a Lessee; it recognises a right of use asset (ROU asset) and a lease liability on the commencement date of the contract.

A ROU asset is valued using cost model. At the commencement of the lease ROU asset is recognised at cost which comprises of - total lease payments to be made over the lease term valued at its present value using Group's incremental borrowing rate, initial direct costs and costs of restoration; net of lease incentives received. ROU asset is depreciated over the lease term on straight line basis over the shorter of the lease term and useful life of the underlying asset.

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

A lease liability is recognised at present value of total lease payments to be made over the lease term using Group's incremental borrowing rate. Lease liability is increased to reflect interest on the lease liability and reduced to reflect payments made to the lessor. The carrying value of lease liability is reassessed when there is change in lease term.

The Group has availed recognition exemption and chosen not to apply the above accounting treatment for short term leases and leases for low value underlying assets where lease payment associated with those leases are recognised as an expense as and when incurred on systematic basis.

5.16. Employee Benefits-

a. Short Term Employee Benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service.

b. Post-Employment Benefits:

i. Defined Contribution Plans

The State governed Employee Provident Fund and Pension Scheme, Employees State Insurance Scheme are the defined contribution plans. The liability on account of Group's contributions paid or payable under these schemes is recognized during the period in which the employee renders the related service and is charged to the Statement of Profit and Loss. The Group has no further obligation beyond these contributions towards employees.

ii. Defined Benefit Plans

The employees' gratuity fund scheme is the Group's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur and not reclassified to Statement of Profit or Loss in subsequent periods.

c. Long Term Employee Benefits:

The accruing liability on account of encashment of leave entitlement of employees as per the rules of the Group is determined and provided for on the basis of the actuarial valuation from an independent actuary. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss in the period in which they occur.

5.17. Earnings Per Share-

Basic EPS amount is calculated by dividing the net profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

6. Recent Accounting Pronouncements

From time to time, the Ministry of Corporate Affairs pronounces new standards or amendments to the existing standards. Nevertheless, there is no such pronouncement since after the last reporting date which would have been applicable from 1st April 2020.

Note 7: Property, Plant and Equipment and Intangible Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION & AMORTISATION				NET BLOCK				
	As at 01 April 2019	Additions	Transferred to Held For Sale	As at 31 March 2020	As on 01 April 2019	For the Year	Transferred to Held For Sale	Deductions	Impairment	As on 31 March 2020	As on 31 March 2019	
1. Property, Plant and Equipment												
Leasehold Land	23,703,452	-	-	23,703,452	2,361,902	253,060	-	-	-	2,614,962	21,088,490	21,341,550
Factory Building	73,284,281	-	-	73,284,281	38,678,773	3,280,612	-	-	-	41,959,385	31,324,896	34,605,508
Non Factory Building	63,986,390	-	-	63,986,390	23,288,064	2,041,924	-	-	-	25,329,988	38,656,402	40,698,326
Plant & Machinery	37,374,718	-	-	37,374,718	30,469,252	1,264,555	-	-	-	31,733,807	5,640,911	6,905,466
Patterns, Jigs & Moulds	4,768,905	-	-	4,768,905	2,699,105	369,866	-	-	-	3,068,971	1,699,934	2,069,800
Computer Machinery	3,699,043	-	-	3,699,043	3,499,255	13,445	-	-	-	3,512,700	186,343	199,788
Vehicle	974,795	-	-	974,795	930,914	-	-	-	-	930,914	43,881	43,881
Furniture & Fixtures and Office Equipments	4,252,811	-	-	2,188,591	3,619,858	175,925	-	2,039,105	-	1,756,678	431,913	632,953
Total (1)	212,044,395	-	-	209,980,175	105,547,123	7,399,387	-	2,039,105	-	110,907,405	99,072,770	106,497,272
Previous Year	213,798,060	55,564	1,809,229	212,044,395	86,295,009	9,858,312	1,518,583	-	10,912,385	105,547,123	106,497,272	127,503,051
2. Intangible Assets												
Software	3,629,207	-	-	402,868	3,266,866	147,502	-	3,226,330	-	188,038	214,830	362,341
Total (2)	3,629,207	-	-	402,868	3,266,866	147,502	-	3,226,330	-	188,038	214,830	362,341
Previous Year	3,629,207	-	-	3,629,207	2,989,968	276,898	-	-	-	3,266,866	362,341	639,239
TOTAL	215,673,602	-	-	210,383,043	108,813,989	7,546,889	-	5,265,435	-	111,095,443	99,287,600	106,859,613

(Amount in ₹)

(Amount in ₹)

PARTICULARS		As at 31 March 2020	As at 31 March 2019
8	INVESTMENTS- NON CURRENT		
	i INVESTMENT IN EQUITY INSTRUMENTS		
	(a) Trade, Unquoted and fully paid up (valued at Fair Value through Other Comprehensive Income)		
	1,000 (Previous Year 1,000) Equity Shares of ` 10/- each in Saraswat Co-operative Bank Limited.	10,000	10,000
	1,000 (Previous year 1,000) Equity Shares of ` 10/- each in S. L. Kirloskar CSR Foundation	10,000	10,000
	3,75,000 (Previous Year Nil) Equity Shares of ` 10/- each in Kirloskar Management Services Private Limited	3,750,000	-
	(b) Investment in Associate Company		
	49,000 (Previous Year Nil) Equity Shares of ` 1/- each in Navasasayam Dandekar Private Limited	49,000	-
	Add: Share in Profit of associate for the year	110,477	-
		159,477	-
	(c) Non Trade, Quoted and fully paid up (valued at valued at Fair Value through Other Comprehensive Income)		
	50,000 Equity Shares of ` 2/- each (Previous Year 50,000 Equity Shares of ` 2/- each) in Gujarat Gas Limited	11,630,000	7,412,500
	291,375 (Previous Year 291,375) Equity Shares of ` 2/- each in Indraprastha Gas Limited	113,301,169	88,723,688
	29,950 (Previous Year 29,950) Equity Shares of ` 1/- each in Marico Limited	8,231,758	10,340,238
	5,450 (Previous Year 5,450) Equity Shares of ` 10/- each in Lakshmi Machine Works Limited	12,536,908	33,207,122
	4,901 (Previous Year 4,901) Equity Shares of ` 10/- each in ICRA Limited	10,610,665	14,219,027
	15,590 (Previous Year 15,590) Equity Shares of ` 1/- each in CRISIL Limited	19,565,450	22,761,399
	2,820 (Previous Year 2,820) Equity Shares of ` 10/- each in Bajaj Holdings & Investments limited	5,074,731	9,638,901
	3,995 (Previous Year 3,995) Equity Shares of ` 10/- each in Bajaj Auto Limited	8,089,476	11,645,624
	NIL (Previous Year 2,21,078) Equity Shares of ` 2/- each in Gruh Finance Limited**	-	61,017,528
	47,786 (Previous Year Nil) Equity Shares of ` 10/- each in Bandhan Bank Limited**	9,731,619	-
	Total	202,701,252	258,986,027
**Bandhan Bank Shares have been issued in a scheme of swap when Bandhan bank has taken over Gruh Finance. The company received 67,786 Shares of Bandhan Bank against 1,10,539 shares of Gruh Finance Held			
8.1	Details of Quoted Investments		
	Aggregate amount of quoted investments and market value thereof		
	Cost	2,83,79,477	28,890,063
	Market Value	198,882,252	258,966,027
9	LOANS- NON CURRENT		
	(Un-secured and considered good)		
	i Security Deposits	585,800	599,300
	Total	585,800	599,300

G. G. DANDEKAR MACHINE WORKS LIMITED

(Amount in ₹)

PARTICULARS	As at 31 March 2020	As at 31 March 2019
10 INVENTORIES		
i Raw Materials	7,468,747	7,057,543
ii Work-in-progress	1,537,823	1,590,376
iii Finished Goods	1,664,872	3,529,117
Total	10,671,442	12,177,036
11 TRADE RECEIVABLES		
Unsecured		
i Considered good	1,431,944	1,424,131
ii Considered doubtful	349,142	349,142
Less : Allowance for Expected Credit Loss	(349,142)	(349,142)
Total	1,431,944	1,424,131
12 CASH AND CASH EQUIVALENTS		
i Cash on hand	7,611	6,326
ii Balances with Banks		
In Current Accounts	1,945,258	375,011
Total	1,952,869	381,337
13 OTHER BANK BALANCES		
i Deposit with Bank held as security against Guarantee*	7,000,000	-
Total	7,000,000	-
* Deposit has been maintained against Bank Guarantee provided fo Labour NOC.		
14 OTHER CURRENT FINANCIAL ASSETS		
(Unsecured)		
i Other Receivables (considered good)	677,388	423,480
ii Balance with Statutory Authorities	14,588,733	18,037,413
iii Receivable against Sale of Investments	-	8,137,283
Total	15,266,121	26,598,176
15 CURRENT TAX ASSETS (NET)		
Advance Income Tax (Including TDS)	17,377,304	12,291,663
(Net of Provision for Tax)		
Total	17,377,304	12,291,663
16 OTHER CURRENT ASSETS		
i Advances to suppliers	2,605,640	1,542,682
ii Prepaid Expenses	19,575	133,741
iii Other Advances	99,109	81,785
Total	2,724,324	1,758,208
17 ASSETS HELD FOR SALE		
i Freehold Land	46,852	46,852
ii Factory Building	65,468	65,468
iii Non- Factory Building	290,646	290,646
Total	402,966	402,966

PARTICULARS	As at 31 March 2020		As at 31 March 2019	
	Number	₹	Number	₹
18 EQUITY SHARE CAPITAL`				
i Authorised				
Equity Shares of ` 1/- each	20,000,000	20,000,000	20,000,000	20,000,000
Total	20,000,000	20,000,000	20,000,000	20,000,000
ii Issued, Subscribed and fully paid up				
	4,761,387	4,761,387	4,761,387	4,761,387
Total	4,761,387	4,761,387	4,761,387	4,761,387

PARTICULARS	As at 31 March 2020		As at 31 March 2019	
	Number	₹	Number	₹
18.1 Reconciliation of Shares :				
Equity Shares				
Outstanding at the beginning of the year	4,761,387	4,761,387	4,761,387	4,761,387
Issued/Bought back during the year	-	-	-	-
Outstanding at the end of the year	4,761,387	4,761,387	4,761,387	4,761,387

18.2 Rights, preferences and restrictions attached to equity shares :

The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

18.3 Details of shares held by each shareholder holding more than 5% shares:

PARTICULARS	As at 31 March 2020		As at 31 March 2019	
	Number	%	Number	%
Jyotsna G. Kulkarni	954,280	20.04%	954,280	20.04%
Atul C. Kirloskar *	560,780	11.78%	560,780	11.78%
Rahul C. Kirloskar *	549,820	11.55%	549,820	11.55%
Arti A. Kirloskar	400,000	8.40%	400,000	8.40%
Alpana R. Kirloskar	400,000	8.40%	400,000	8.40%
K.V.Development & Investment Company Pvt. Ltd.	268,664	5.64%	268,664	5.64%

* In addition to above, Atul C. Kirloskar and Rahul C. Kirloskar are holding 360 shares each as Karta of Atul C. Kirloskar HUF and Rahul C. Kirloskar HUF respectively.

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(Amount in ₹)

PARTICULARS		General Reserves	Retained Earnings	Other Comprehensive Income	Total
19 OTHER EQUITY					
	Balance as on 31 March, 2018	97,760,971	56,626,596	243,860,228	398,247,794
	Total Comprehensive Income for the year				
	Profit/(Loss) for the year	-	(41,635,444)		(41,635,444)
	Remeasurements gains/(loss) on defined benefit plans	-	-	555,024	555,024
	Fair value changes in Equity instruments	-	-	(8,496,832)	(8,496,832)
	Realised Gain on Sale of Investments		5,085,473	(5,085,473)	-
	Balance as at 31 March, 2019	97,760,971	20,076,625	230,832,947	348,670,542
	Total Comprehensive Income for the year				
	Profit/(Loss) for the year		(33,969,313)		(33,969,313)
	Remeasurements gains/(loss) on defined benefit plans			163,702	163,702
	Fair value changes in Equity instruments			(25,208,237)	(25,208,237)
	Deferred Tax Effects	-	-	-	-
	Realised Gain on Sale of Investments		33,406,909	(33,406,909)	-
	Balance as at 31 March, 2020	97,760,971	19,514,221	172,381,503	289,656,695

(Amount in ₹)

PARTICULARS		AS AT 31 st March 2020	AS AT 31 st March 2019
20 PROVISIONS- NON CURRENT			
i	Provision for Employee Benefits		
(a)	Leave Encashment	220,806	205,623
	Total	220,806	205,623
21 DEFERRED TAX LIABILITIES (NET)			
i	Deferred Tax Liability		
	On account of timing difference in Depreciation	6,848,106	9,447,159
	Total	6,848,106	9,447,159
22 OTHER NON-CURRENT LIABILITIES			
i	Trade & Security Deposits	106,000	106,000
	Total	106,000	106,000

(Amount in ₹)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
23 TRADE PAYABLES		
i Micro, Small and Medium Enterprises	1,976,614	159,365
ii Others for Goods and Services	29,471,875	24,281,590
Total	31,448,489	24,440,955
24 OTHER CURRENT FINANCIAL LIABILITIES		
i Expenses and Other Payables	7,305,540	15,958,224
ii Other Liabilities	872,998	269,103
iii Ex-gratia & Superannuation Payable	460,925	817,055
Total	8,639,463	17,044,382
25 OTHER CURRENT LIABILITIES		
i Advance from Customers	10,684,463	6,666,210
Total	10,684,463	6,666,210
26 PROVISIONS- CURRENT		
i Provision for Employee Benefits		
(a) Gratuity	219,160	111,749
(b) Leave Encashment	92,381	91,144
ii Others		
(a) Sales tax	5,756,726	9,100,000
(b) Warranty	967,946	833,307
Total	7,036,213	10,136,200

(Amount in ₹)

PARTICULARS	2019-20	2018-19
27 REVENUE FROM OPERATIONS		
i Sale of Products	41,926,602	47,334,147
ii Other Operating Revenue	134,931	350,284
Total	42,061,533	47,684,431
28 OTHER INCOME		
i Interest from Banks	282,255	96,504
ii Dividend	3,122,727	2,740,632
iii Sundry provisions written back	488,685	2,091,709
iv Sundry balances written back	-	641,600
Total	3,893,667	5,570,445

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		(Amount in ₹)	
PARTICULARS		2019-20	2018-19
29	COST OF MATERIALS CONSUMED		
i	Raw Materials		
	Opening Stock	7,057,543	7,091,921
	Add : Purchases	21,784,359	28,298,943
		<u>28,841,902</u>	<u>35,390,864</u>
	Less : Closing Stock	7,468,747	7,057,543
		<u>21,373,155</u>	<u>28,333,321</u>
	Total	21,373,155	28,333,321
30	CHANGES IN INVENTORIES OF WORK IN PROGRESS & FINISHED GOODS		
	Opening Stock		
	Work-in-Progress	1,590,376	2,275,077
	Finished Goods	3,529,117	2,155,709
		<u>5,119,493</u>	<u>4,430,786</u>
	Less:		
	Closing Stock		
	Work-in-Progress	1,537,823	1,590,376
	Finished Goods	1,664,872	3,529,117
		<u>3,202,695</u>	<u>5,119,493</u>
	(INCREASE) / DECREASE	1,916,798	(688,707)
31	EMPLOYEE BENEFITS EXPENSES		
i	Salaries, Wages, Bonus & Other Allowances	17,851,165	21,240,302
ii	Gratuity	268,071	405,461
iii	Contribution to PF/ESI & Other Funds	514,004	532,229
iv	Staff/Labour Welfare Expenses	993,827	1,522,007
	Total	19,627,067	23,699,999

(Amount in ₹)

PARTICULARS		2019-20	2018-19
32	OTHER EXPENSES		
i	Rent	333,966	341,051
ii	Rates & Taxes	1,189,215	1,025,909
iii	Insurance charges	221,587	273,078
iv	After Sales Service Charges	-	205,004
v	Power & Fuel	1,492,891	1,794,462
vi	Repairs & Maintenance		
	a) Building	45,293	10,642
	b) Plant & Machinery	184,126	32,328
	c) Other Assets	11,219	525,992
		240,638	568,962
vii	Payment to Auditors		
	a) Statutory Audit fees	325,000	325,000
	b) Tax Audit Fees	75,000	75,000
	c) Out of Pocket Expenses	48,848	105,476
		448,848	505,476
viii	Selling & Distribution Expenses		
	a) Commission on sales	713,182	922,517
	b) Sales Promotion	77,056	14,628
	c) Warranty	206,415	212,675
	d) Carriage Outward	223,752	374,596
		1,220,405	1,524,416
ix	Travelling & Conveyance	2,236,571	2,758,867
x	Communication Expenses	196,067	341,098
xi	Legal & Professional Fees	11,669,665	4,760,948
xii	Directors Sitting Fees	270,000	315,000
xiii	Security Expenses	1,491,817	1,652,400
xiv	Office & Miscellaneous Expenses	1,700,036	1,318,370
xv	Fixed Assets written off	25,124	-
xvi	Provisions on/for tax liability	5,756,726	-
xvii	Sales Tax Paid under Amnesty Scheme	3,676,578	-
xviii	Bad Debts written off	-	2,181,709
xix	Labour Compensation	-	2,957,000
	Total	32,170,134	22,523,750

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Note C: NOTES FORMING PART OF ACCOUNTS- Other Notes

33. Contingent Liabilities not provided for in respect of:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
A.	Disputed Liabilities in respect of Income Tax	7,04,94,332	7,21,49,992
B.	Disputed Liabilities in respect of Sales Tax	Nil	5,85,56,503
C.	Disputed Liabilities in respect of Wealth Tax	22,63,846	22,63,846
D.	Claims against the Group by the Creditors not acknowledged as debts	6,00,174	Nil
E.	Bank Guarantee provided in respect of Labour NOC	70,00,000	Nil
F.	Certain parties have either filed cases against the holding company, or the Holding Company has been made a party in respect of certain transactions relating to sale of land. The Holding Company has been legally advised that it is in a position to defend its stand and as such does not expect any material financial liability.		

34. Disclosure pursuant to Ind AS 12 'Income Taxes':

(Amount in ₹)

PARTICULARS	2019-20	2018-19
a) Major Components of Tax Expense / (Income):		
Current income tax charge		
Current income tax	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	(25,99,053)	(25,638)
Net Tax expense	(25,99,053)	(25,638)

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Accounting profit /(loss) before tax	(3,65,68,366)	(4,16,61,082)
Statutory income tax rate (MAT rate)	19.24	19.24
Tax at statutory income tax rate on profit as per books	-	-
Tax impact of difference in depreciation as per books and income tax act	-	-
Tax impact of expenses not deductible	-	-
Tax impact on expenses allowable under MAT	-	-
Others -	-	-
Tax relating to earlier period	-	-
Income Tax expense reported in the statement of profit & loss	-	-

PARTICULARS	2019-20	2018-19
Income Tax Assets	4,45,52,106	3,94,66,465
Income Tax Liabilities	(2,71,74,802)	(2,71,74,802)
Net Current Income tax assets at the end	1,73,77,304	1,22,91,663

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Net Income Tax Asset as at the beginning	12,291,663	10,851,162
Income Tax paid / TDS	50,85,641	1,440,501
Current income tax expenses	-	-
Net refund received for earlier years	-	-
Income Tax for earlier years	-	-
Net income tax Asset as at the end	1,73,77,304	12,291,663

(e) Reconciliation of Deferred tax assets/liabilities:

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Deferred Tax Liabilities (Net) as at the beginning	(94,47,159)	(94,72,796)
Deferred Tax Income/ Expense recognized in Statement of Profit & Loss:		
Difference between WDV of PPE as per books & Income Tax	25,99,053	25,638
Deferred Tax Liabilities (Net) as at the end	(68,48,106)	(94,47,159)

35. Disclosure pursuant to Ind AS 19 on 'Employee Benefits'**a. Defined benefit plans: Gratuity Plan**

i. General descriptions of defined benefit plans: Gratuity Plan

The Holding Company has established a gratuity plan wherein every employee is entitled to the benefit equivalent to thirty days' salary for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

The funds are managed by LIC who have made investments as per their policy; and a detailed break-up of composition of investments made by LIC in various securities is not, at present, available.

ii. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Present Value of Obligation at the end of period	34,34,228	35,57,167
	Fair value of Plan Assets at the end of period	32,15,068	34,45,418
	Current Liability / (asset)	(2,19,160)	(1,11,749)
2	Amounts reflected in the balance sheet		
	Liabilities		
	Current Liability	2,19,160	1,11,749
	Non-Current Liability	32,15,068	34,45,418

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- iii. Movement in the present value of defined obligation during the year representing reconciliation of opening and closing balances thereof are as follows:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Present value of benefit obligation at the beginning of the year	35,57,167	37,40,961
2	Transfer In/(Out)	-	-
3	Current service cost	2,60,249	3,85,974
4	Amount paid on settlement	-	-
5	Interest cost	2,32,464	2,67,280
6	Re-measurements on obligation [Actuarial (Gain) / Loss]:	(1,43,152)	(4,82,586)
7	Actuarial (Gains) / Losses arising from changes in demographic assumption	-	-
8	Financial assumption	-	-
9	Actuarial (Gains) / Losses arising from changes in experience adjustment	-	-
10	Benefits paid	(4,72,500)	(3,54,462)
11	Past Service Cost	-	-
12	Present value of Defined Benefit Obligation as at end of the year	34,34,228	35,57,167

- iv. Changes in the fair value of plan assets during the year representing reconciliation of opening and closing balances thereof are as follows:

(Amount in ₹)

Sr. No.	PARTICULARS	2019-20	2018-19
1	Fair value of Plan Assets at the beginning of the year	34,45,418	34,81,134
2	Transfer In/(Out)	-	-
3	Interest income	2,24,642	2,47,793
4	Actuarial gains / (losses)	-	-
5	Contributions from the employer	-	-
6	Re-measurement Gain (Loss): Return on plan assets, excluding amount recognized in Interest Income – Gain/ (Loss)	20,550	72,438
7	Mortality Charges & Taxes	(3,042)	(1,485)
8	Benefits paid	(4,72,500)	(3,54,462)
9	Amount paid on settlement	-	-
10	Fair value of Plan Assets as on the end of the year	32,15,068	34,45,418
11	Actual Returns on Plan Assets	2,45,192	3,20,231

- v. Expenses recognized in the statement of Profit and Loss.

(Amount in ₹)

Sr. No.	PARTICULARS	2019-20	2018-19
1	Current Service Cost	2,60,249	3,85,974
2	Net Interest Expenses	7,822	19,487
3	Settlement (Gain) / Loss	-	-
4	Past Service Cost	-	-
5	Net periodic benefit cost recognized in the statement of profit & loss at the end of period	2,68,071	4,05,461

vi. Amount recognized in statement of other Comprehensive Income.

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Opening amount recognized in OCI outside profit & loss account	(7,56,983)	(2,01,959)
2	Re-measurement for the year- obligation (Gain) /Loss	(1,43,152)	(4,82,586)
3	Re-measurement for the year- plan asset (Gain) /Loss	(20,550)	(72,438)
4	Total Re-measurement cost/(credit) for the year recognized in OCI	(1,63,702)	(5,55,024)
5.	Closing amount recognized in OCI outside profit & loss account	(9,20,685)	(7,56,983)

vii. Actual contribution and benefit payments for the year.

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Actual benefit paid directly	(4,72,500)	(3,54,462)
2	Actual contributions	Nil	Nil

viii. Assumptions:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Discount Rate	5.90%	7.00%
2	Rate of increase in compensation levels	5.00%	5.00%
3	Expected Rate of return on plan assets	7.00%	7.50%
4	Expected average remaining working lives of employees (years)*	4.19*	4.62*

*It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

ix. Sensitivity analysis: A quantitative sensitivity analysis for significant assumption is as shown below:
Effect of Defined Benefits Obligation (DBO) on account of 1% change in the assumed rates:

(Amount in ₹)

DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
Year						
31-Mar-2020	33,77,062	34,94,686	34,76,638	33,93,241	34,33,816	34,34,591
31-Mar-2019	34,88,968	36,29,841	36,11,280	35,05,323	35,58,096	35,56,018

b. **Leave Encashment:**

Net (asset) / liability recognized in the Balance Sheet:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Present Value of Obligation	3,04,977	2,96,767
2	Funded Status	-	-
3	Net liability/(asset) recognized in Balance Sheet	3,04,977	2,96,767
	a) Current Liability	92,381	91,144
	b) Non-Current Liability	2,12,596	2,05,623

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36. Disclosure pursuant to Ind AS-24 'Related Party Disclosures'

Name of the related party and their relatives and nature of relationship

- a) Key Management Personnel:
- i. Mangesh S. Joshi - Executive Director
Relatives of Executive Director
Wife: Ruchira M. Joshi
Son: Mayank M. Joshi
Daughter: Mihika M. Joshi
 - ii. Nihal Kulkarni – Chairman
 - iii. Smita Raichurkar – Additional Director (Non Executive) from 27-Jan-2020
 - iv. Pawan Rathi- Independent Director from 16-May-2019
 - v. Saurabh Patwardhan – Independent Director (reappointed from 11-Sept-2019)
 - vi. Chinmay Bhandari- Additional Director (Independent) from 27-Jan-2020
 - vii. Rajesh Phadke – Independent Director till 16-May-2019
 - viii. Madhav Chandrachud- Non-Executive Director till 30-Dec-2019
 - ix. Savita Sahasrabudhe- Independent Director till 10-Sep-2019
 - x. Mahavir Barloti - Chief Financial Officer till 14-Mar-2020
 - xi. Ajay Shrivastava – Company Secretary till 09-Mar-2020
- b) Enterprise in which Directors are interested:
- i. Kloudq Technologies Ltd.
- c) Enterprise in which the Holding Company is member:
- i. Kirloskar Management Services Private Limited

Details of transactions during the year with Related Party:

(Amount in ₹)

Sr. No.	PARTICULARS	FY 2019-20	FY 2018-19
1.	Remuneration to Executive Director & Key Managerial Personnel:		
	Mangesh S. Joshi	42,36,000	43,04,022
	Mahavir Barloti (from 14-02-19 to 14-03-20)	5,90,702	1,49,710
	Ajay Shrivastava (from 14-02-19 to 09-03-20)	4,10,443	1,12,774
	*Remuneration excludes statutory contributions such as Gratuity, PF, and reimbursements and perquisites etc.		
2.	Transactions with Enterprise in which Directors are interested		
	Software Subscription charges	Nil	1,51,040
3.	Payments to Directors as Sitting Fees and Reimbursements		
	Nihal Kulkarni	30,000	30,000
	Madhav Chandrachud	55,000	80,000
	Rajesh Phadke	15,000	75,000
	Saurabh Patwardhan	35,000	55,000
	Savita Sahasrabuddhe	30,000	75,000
	Pawan Rathi	75,000	Nil
	Smita Raichurkar	15,000	Nil
	Chinmay Bhandari	15,000	Nil
4.	Investment in other Promoter held Company Kirloskar Management Services Private Limited	37,50,000	Nil

37. Disclosure pursuant to Ind AS - 33 'Earnings Per Share':

(Amount in ₹)

Sr. No.	PARTICULARS	2019-20	2018-19
1	Profit/ (Loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders (Amount in Rs.)	(3,39,69,313)	(4,16,35,443)
2	Weighted Average number of equity shares used as denominator for calculating EPS	4,761,387	4,761,387
3	Basic and Diluted Earnings Per Share (`)	(7.13)	(8.74)
4	Face Value per equity share (`)	1.00	1.00

38. Disclosure pursuant to Ind AS - 37 'Provisions, Contingent Liabilities and Contingent Assets'

Details of Warranty provision and its movement during the year

(Amount in ₹)

PROVISION FOR WARRANTY	FY 2019-20	FY 2018-19
Carrying amount at the beginning of the year	8,33,307	7,05,287
Additional provision made during the year	2,08,915	2,12,675
Amount used during the year	74,276	84,655
Unused amounts reversed during the year	-	-
Carrying amount at the end of the year	9,67,946	8,33,307

(Amount in ₹)

PROVISION FOR SALE TAX LIABILITY	FY 2019-20	FY 2018-19
Carrying amount at the beginning of the year	9,100,000	9,100,000
Additional provision made during the year	57,56,726	-
Amount used during the year	(91,00,000)	-
Unused amounts reversed during the year	-	-
Carrying amount at the end of the year	57,56,726	9,100,000

39. Disclosure pursuant to Ind AS 107 -Financial risk management

The activities of the Group expose it to a variety of financial risks. The Group's risk management policies are focused to identify the unpredictability of financial markets, put required controls, monitor and minimize potential adverse effects on its financial performance. The risk management policies and systems are reviewed periodically to reflect changes in market conditions and Group's activities. Respective Board of Directors have overall responsibility for the setup and oversight of Group's risk management framework.

The Group has exposure to the following risks arising from financial instruments:

(A) Credit risk; (B) Liquidity risk and (C) Market risk.

(A) Credit risk:

Credit risk refers to the risk of default on its obligation by the customer or counterparty in meeting its contractual obligations, resulting into a financial loss to the Group. The maximum exposure to the credit risk is primarily from Group's trade and other receivables amounting to as at March 31, 2020 Rs. 26,95,131/- and As at March 31,2019 24,46,911/-. Details of receivables and other current assets are as per the table below:

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(Amount in ₹)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
Investments	1,59,477	Nil
Loans	5,85,800	599,300
Trade Receivable	14,31,943	1,424,131
Cash & Cash Equivalents (Excluding Cash on Hand)	19,52,869	3,81,437
Other Bank Balances	70,00,000	-
Other Financial Assets	1,52,66,121	26,598,176
Total financial Assets Carried at Amortised Cost	2,63,96,210	2,90,03,044
Investments	20,25,41,775	25,89,86,028
Total Financial Assets Carried at Fair Value	20,25,41,775	25,89,86,028

Receivables are reviewed, managed and controlled for each customer separately. Credit risk is managed through credit approvals process by establishing credit limits and continuously monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Group has a practice to provide for doubtful debts on a case to case basis after considering inter-alia customer's credibility etc.

The allowance for Expected Credit Loss on customer balances for the year ended March 31, 2020 and March 31, 2019 was Rs. 3,49,142/- and Rs. 3,49,142/- respectively.

There is no significant credit risk on cash and cash equivalents as the Group generally invest in deposits with banks.

There is no significant credit risk on other receivables, which mainly comprise of security deposits and amounts with statutory authorities.

(B) Liquidity risk

Liquidity risk refers to the risk that the Group may encounter in meeting its obligations associated with its financial liabilities on time or at a reasonable price. The Group's Accounts and Finance department is responsible for liquidity and fund flow management. In addition to that, processes and policies related to such risks are overseen by the Senior Management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. ?

The Group has no outstanding term borrowings as on 31 March 2020.

(C) Market risk:

Market risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. It comprises of below mentioned three types of risks:

- i) Currency risk
- ii) Interest rate risk
- iii) Other price risk such as equity/debt securities price risk

i) Currency risk

Currency risk refers to the risk that arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group mainly operates in Indian domestic market. The maximum exposure to the currency risk is primarily from trade payables on account of goods imported into the country. The Group does not have any foreign currency payables as at the year-end hence, the Group does not have any currency risk at present.

ii) Interest rate risk

Interest rate risk refers to the risk that fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates. The Group does not have any long term or short-term borrowings as on year end date hence, the Group does not have any interest risk at present.

iii) Equity Price risk

Price risk refers to the risk of fluctuations in the value of assets and liabilities as a result of change in market prices of Investments.

The fair value of Group's investments measured at fair value through other comprehensive income exposes the Group to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Group's investment in quoted equity securities as at March 31, 2020 and March 31, 2019 was Rs. 19,87,71,775/- and Rs. 25,89,66,028/- respectively.

40. Disclosure pursuant to Ind AS- 108 'Operating Segments'

The Group operates in one segment namely "Food Processing Machinery".

41. Disclosure pursuant to Ind AS- 115 'Revenue from Contracts with Customers'

a. Reconciliation of Revenue from Operations with revenue from contracts with Customers:

(Amount in ₹)

Sr. No.	PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
1	Revenue recognized over a period of time	--	--
2	Revenue recognized at a point in time		
	Manufacturing Activity	4,20,61,533	4,76,84,431
3	Total Revenue from Contract with Customer (1 to 2)	4,20,61,533	4,76,84,431
4	Total Revenue from Operations as per Note No. 27	4,20,61,533	4,76,84,431

**b. Particulars of Performance obligations relating to Revenue from Contract with Customers-
Manufacturing Activities**

The Group is manufacturer of Machinery for Rice Milling, Dal milling, Spices grinding etc. The performance obligations of the Group for these activities are generally satisfied as and when goods are delivered and/or erected as the case may be depending upon terms of respective contracts. Payments are received in advance and/or as per pre-decided milestones depending on the terms of the respective contracts.

- c. As the entire revenue is recognized 'at point in time' there are no contract assets and contract liabilities for the Group.
- d. The Group has opted for practical expedient as all the performance obligations have an original expected duration of one year or less. Hence, disclosure regarding 'transaction price allocated to the remaining performance obligations' is not required

42. Disclosure pursuant to Ind AS- 116 'Leases'

The Group has adopted Ind AS 116 effective 1st April, 2019. The Group's leases mainly comprise of leasehold land and residential premises, office premises and office equipment.

The Group has taken exemptions for not to consider the leases under IND AS 116 which have non-cancellable period (Lock in period) or lease period of 12 months or less as on initial application date.

The Group has elected not to classify low value items lease under Leases as permitted by Para 5 of INDAS 116.

Accordingly, during the year, the Group paid lease rent aggregating to Rs. 4,14,966/- (Previous Year: Rs. 3,41,051/-).

43. During the year ended 31st March 2020, the Holding Company sold certain investments being equity shares of listed companies, for Rs. 3,49,86,088/-. The sale resulted in a Profit of Rs. 3,34,06,909/- which has been transferred to Retained Earnings with corresponding adjustment in the 'Other Comprehensive Income' under Other Equity.

44. Disclosure Pursuant to IndAS 27 "Separate Financial Statements"

Name of Associate	Principal Place of Business	Proportion of direct ownership (%)	Proportion of effective ownership interest (%)	Proportion of effective voting power held (%)
Navasasyam Dandekar Private Limited	India	49%	49%	49%

G. G. DANDEKAR MACHINE WORKS LIMITED

Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31-March-2020

Particulars	As % of	Parent Company G.G. Dandekar Machine Works Limited		Associate Company Navasasyam Dandekar Private Limited	
		%	Amount in (₹)	%	Amount in (₹)
Net Assets i.e. total assets minus total liabilities	Consolidated Net Assets	99.96%	29,43,07,604	0.05%	1,59,476
Share in Profit or Loss before tax	Consolidated Profit and Loss before tax	100.36%	(3,66,78,843)	0.36%	1,33,361
Share in Other Comprehensive Income (OCI)	Consolidated OCI	100%	(2,50,44,535)	Nil	Nil
Share in Total Comprehensive Income	Consolidated Total Comprehensive Income	100.19%	(5,91,24,325)	0.19%	1,10,477

45. Business implications of COVID -19.

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on February 11, 2020. The impact of COVID-19 in the fourth quarter of the financial year 2019-20 on the Group was not significant. The spread of Covid-19 has affected the business operations post the national lock down. The Group has taken various measures in consonance with Central and State Government advisories to contain the pandemic. The Group has considered the possible effect that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets and also on the future performance of the Group. On the basis of evaluation and current indicators of the future economic scenario, the Group expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, impact assessment of COVID -19 is a continuous process, given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Group and take necessary measures to address the situation.

46. In cases where letters of confirmation have been received from parties, book balance have been generally reconciled and adjusted, if required. In other cases, balance in accounts of sundry debtors, sundry creditors and advances or deposits have been taken as per books of account.

47. The Holding Company owes amounts to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. The disclosure pursuant to the said Act are as under:

(Amount in ₹)

PARTICULARS	AS AT 31 st March 2020	AS AT 31 st March 2019
Principal Amount due to supplier under MSMED	19,76,614	5,63,834
Interest accrued, due to supplier under MSMED Act on the above & unpaid	5,42,051	31,238
Payment made to suppliers (other than interest) beyond appointed day during the year	99,452	4,18,623
Interest paid to suppliers under MSMED Act (other than Sec 16)	-	-
Interest paid to suppliers under MSMED Act (under Sec 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payment already made	5,42,051	1,74,983
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	5,42,051	1,74,983

48. Previous year's figures have been regrouped and/or rearranged wherever necessary

As per our report of even date attached

For and on behalf of the Board of Directors

For Kulkarni Soman & Associates,
Chartered Accountants,
[F. R. No. 139786-W]

Sd/-
Bageshri Kulkarni
Partner
M.No. 139656
UDIN: 20139656AAAABD7818
Place: Pune
Date: July 28, 2020

Sd/-
Sayalee Yengul
Company Secretary

Sd/-
Shishir Panse
Chief Financial Officer

Sd/-
Mangesh Joshi
Executive Director
DIN:07244555

Sd/-
Nihal Kulkarni
Chairman
DIN:01139147

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REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited

'Akshay Complex' Block No.202, 2nd Floor,
Near Ganesh Temple, Off Dhole Patil Road,
Pune 411001

CIN : U67190MH1999PTC118368



Registered Office

G. G. DANDEKAR MACHINE WORKS LTD.

CIN : L99999MH1938PLC002869

211/A, MIDC, Butibori Industrial Area, Village Kinhi, Tal. Hingana Dist. Nagpur 441122. (India)

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