

HIM TEKNOFORGE LTD.

(formerly known as Gujarat Automotive Gears Limited)



Regd. Office : Village Billanwali, Baddi-173 205, Dist. Solan (Himachal Pradesh), INDIA

Phone : +91-1795-654025, 654026-27, Fax : +91-1795-245467, CIN No. : L29130HP1971PLC000904

31.08.2019

To,
Bombay Stock Exchange
Corporate Relationship Department,
Ground Floor, P J Tower,
Dalal Street, Fort,
Mumbai- 400001.

Dear Sir,

Subject: Submission of Annual Report for the Financial Year 2018-19

Scrip Code: 505712

Pursuant to regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2018-19 as approved and adopted by the members of the Company at the 48th Annual General Meeting of the Company held on Saturday, 28th September, 2019 at 11.30 a.m. at registered office of the Company.

Kindly take the same on record.

Thanking You,

Yours Faithfully,

For Him Teknoforge Limited

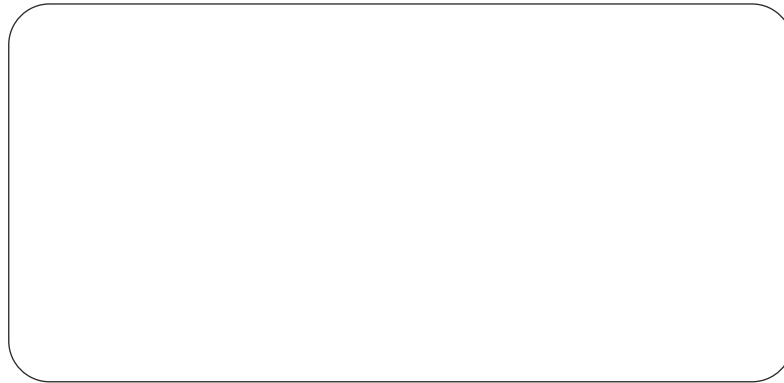
(Formerly known as Gujarat Automotive Gears Limited)

Snehal Chokshi
Company Seretary &
Compliance officer

ISO 9001 - 2015

Works :
: Survey No. 345 A Padra Jambusar Road, Village Gametha Ta. Padra Dist. Vadodara - 391430
Phone : +91- 265-2680537, + 91-265-2680164 Fax : +91-265- 2680984
E-mail : gujarat.gears@gmail.com, gujarat.gears@gagl.net, Web : www.gagl.net

Book Post



If Undelivered, please return to:

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

Survey No 345 A, Padra Jambusar Road,

Village Gametha, Tal Padara,

Dis Vadodara, 391430 (GUJARAT)

India

Phone - 7043768377 ,7043768477

E Mail : gujarat.gears@gmail.com

Web : www.gagl.net

CIN NO : L29130HP1971PLC000904



HIM TEKNOFORGE LIMITED

(FORMERLY KNOWN AS GUJARAT AUTOMOTIVE GEARS LIMITED)

CIN: L29130HP1971PLC000904

FORTY EIGHTH ANNUAL REPORT 2018-19

BOARD OF DIRECTORS

Mr. Vijay Aggarwal	- Chairman cum Managing Director
Mr. Rajiv Aggarwal	- Joint Managing Director
Mr. Ravikant Dhawan	- Non-Executive Independent Director
Mr. Rajendra Prasad Sinha	- Non-Executive Independent Director
Mr. Pradeep Kumar	- Non-Executive Independent Director
Mr. Purshotam Lal Sharma	- Non-Executive Independent Director
Mr. Baskaran Kesavareddiyar	- Nominee Director (M/s Canbank Venture Capital Fund Limited)
Mrs. Bhavana Rao	- Nominee Director (M/s IFCI Venture Capital Fund Limited)
Mrs. Anju Aggarwal	- Non-Executive Non Independent Director (Resigned w.e.f. 22/11/2018)

CHIEF FINANCIAL OFFICER

Mr. Shailesh Gandhi

COMPANY SECRETARY

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

AUDITORS

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

REGISTERED OFFICE

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

BANKERS:

State Bank of India
Small Industrial Development Bank of India
Tata Capital Financial Services Limited

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(Formerly known as Gujarat Automotive Gears Limited)

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

WORKS

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

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NOTICE

NOTICE is hereby given that the 48th Annual General Meeting of the members of Him Teknoforge Limited (Formerly Known As Gujarat Automotive Gears Limited) will be held at 11.30 a.m. on Saturday, the 28th September, 2019 at the Registered Office of the Company situated at Village Billanwali, Baddi, District Solan, Himachal Pradesh (HP)-173205 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and report of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Share for the Financial Year ended 31st March, 2019.
3. To appoint Mr. Vijay Aggarwal (DIN 00094141), who retires by rotation and being eligible offers himself for re- appointment.

SPECIAL BUSINESS :

4. Increase in Remuneration of Mr. Rajiv Aggarwal (DIN: 00094198), Joint Managing Director of the company:

To consider and if though fit, to pass, the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT subject to the applicable provisions of Section 196, 197 and 203 read with Schedule V to the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for increase in the Remuneration of Mr. Rajiv Aggarwal (DIN: 00094198), Joint Managing Director w.e.f. 01st June, 2019 till the remaining period of his tenure within the limit prescribed hereunder from time to time-

A. Salary: Rs. 2, 75,000 (Rupees Two Lakhs Seventy Fifty Thousand) per month.

B. Perquisites:

1. Rent Free Accommodation: Rs. 3, 00,000 per month.
2. Gas, electricity, water and furnishing – Reimbursement of expense incurred for gas, electricity, water and furnishing.
3. Medical Reimbursement: Reimbursement of expenses incurred for the medical treatment for himself and his family.
4. Club Fees: Fee of club subject to a maximum of two clubs, including admission and life membership fees.
5. Personal Accident Insurance Premium: Not exceeding Rs. 4,000/- p.a.
6. Leave travel Concession: First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
7. Telephone: The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
8. Conveyance Allowance: Rs. 5,000/- per month.

C. Contribution to provident fund, superannuation and annuity fund will not be included in the computation of the ceiling on managerial remuneration to the extent these either singly or put together are not taxable under the Income Tax Act. Gratuity payable should not exceed half a month's salary for each completed year of service.

D. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisite.

E. Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individual appointee concerned.

RESOLVED FURTHER THAT total remuneration shall not exceed Rs. 7, 50,000/- (Rupees Seven Lakh Fifty Thousand) per month.”

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

5. Appointment of Mr. Pradeep Kumar (DIN: 03052477) as an Independent Director:

To consider and if thought fit, to pass the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and any rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) (the “Companies Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of the members of the Company be and is hereby given to the appointment of Mr. Pradeep Kumar (DIN: 03052477), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from September 29, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013.”

6. Appointment of Mr. Purshotam Lal Sharma (DIN: 03509280) as an Independent Director:

To consider and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and any rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) (the “Companies Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of the members of the Company be and is hereby given to the appointment of Mr. Purshotam Lal Sharma (DIN: 03509280), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from September

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29, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013.”

7. Mr. Baskaran Kesavareddiyar as Nominee Director:

To consider, and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to Section 161 and other applicable provisions, if any of the Companies Act, 2013 read with Articles of Association of the Company including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. Baskaran Kesavareddiyar (DIN: 07176788), who was appointed as an Additional Director in the capacity of Nominee Director by the Board of Directors on September 29, 2018, and who holds office subject to confirmation in this Annual General Meeting, be and is hereby appointed as a Nominee Director of the Company not liable to retire by rotation.”

8. Mrs. Bhavana Rao as Nominee Director:

To consider, and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to Section 161 and other applicable provisions, if any of the Companies Act, 2013 read with Articles of Association of the Company including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mrs. Bhavana Rao (DIN: 00956209), who was appointed as an Additional Director in the capacity of Nominee Director by the Board of Directors on September 29, 2018, and who holds office subject to confirmation in this Annual General Meeting, be and is hereby regularized and appointed as a Nominee Director of the Company not liable to retire by rotation.”

9. Ratification of remuneration of Cost Auditors:

To consider and if thought fit, to pass, following resolution as **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or any statutory modification or re-enactment thereof, the Company hereby ratifies remuneration of Rs. 30,000/- (Rupees Thirty Thousand only) plus taxes as applicable and re-imbursement of out of pocket expenses, payable to M/s S.K. Jain & Co., Cost Accountants, who have been appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31st March, 2020.

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

By Order of the Board of Directors

Dated : 14.08.2019

Place: Baddi

Sd/-
Rajiv Aggarwal
Joint Managing Director
DIN: 00094198

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company. The proxy shall prove its identity at the time of attending the Meeting.
Proxy submitted on behalf of the companies, Societies etc. must be supported by an appropriate resolution/ authority as applicable.
2. Members should notify change in the address, if any, specifying full address in block letters with pin code of the post office.
3. Members seeking further information on the accounts or any other matter contained in the notice are requested to write to the Company at least 7 days before the meeting, so that relevant information can be kept ready at the meeting.
4. The register of Members and share transfer book will remain closed from 21st September, 2019 to 28th September, 2019 [both days inclusive].
5. Notice of Annual General Meeting will be sent to those who are members of the Company as on Cut-off date.
6. Members attending the meeting are requested to bring their copy of the Annual Report.
7. Pursuant to Section 72 of the Companies Act, 2013, members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing required form.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.
9. A statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed herein.
10. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has created an E-mail. Id: gujarat.gears@gmail.com for quick redressal of shareholders/investors grievances.

11. In terms of the Circulars No. 17/2011 of 21st April, 2011 and 18/2011 of 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA) as part of its "green initiative in Corporate Governance", MCA allows paperless compliances including service of a notice/document by companies to their members through electronic mode. Therefore as was done last year, the Company proposes to send documents required to be sent to the members like Notices of General Meetings (including AGM), Audited Financial Statements, Report of the Directors, and Independent Auditor's Report etc to the members in electronic form to the e-mail IDs provided by them and made available to the Company by the Depositories. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the Company's website www.gagl.net for download by the Members. The physical copies of the annual report will be made available upon receipt of a requisition from the members, any time as a member of the Company.
12. Voting through electronic means (E-voting): Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative for all the members of the Company to enable them to cast their votes electronically. The instructions for E-voting are attached herewith.
13. The Board of Directors of the Company has appointed Mr. Pardeep Singla, Chartered Accountant as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
14. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member (in case of electronic shareholding) as on the cut-off date i.e. 21st September, 2019.
15. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. 21st September, 2019 only shall be entitled to avail the facility of e-voting / Poll.
16. The e-voting facility will be available during the following period: Commencement of e-voting: From 9.00 a.m. (IST) on 25th September, 2019 End of e-voting: Up to 5.00 p.m. (IST) on 27th September, 2019.
The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by (CDSL) upon expiry of aforesaid period.
The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.
Those members who have registered their e-mail IDs with the Company/their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.
17. The Scrutinizer, after scrutinizing the votes cast at the meeting on poll and through e-voting will, not later than 48 hours of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.gagl.net and the results shall simultaneously be communicated to the Bombay Stock Exchange.
18. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting.

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

ITEM NO. 4:

The remuneration of Mr. Rajiv Aggarwal, Joint Managing Director of the company has been increased by Board of Directors in their meeting held on 30th May, 2019 on the recommendation of Nomination & Remuneration Committee, subject to approval of the Members of the Company. He has been paid total remuneration of not exceeding Rs. 7, 50,000/- per month with effect from 1st June, 2019. He is a qualified Chartered Accountant and Company Secretary and having more than 37 years of experience in industry. He is looking after finance, legal, banking, accounts and other commercial matters of the Company. Looking to the responsibilities shouldered by Mr. Rajiv Aggarwal, Nomination and Remuneration Committee of the Company has recommended to pay remuneration with effect from 01st June, 2019.

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

I. Information about Mr. Rajiv Aggarwal, Appointee :

1. **Background details:** Mr. Rajiv Aggarwal is a qualified Chartered Accountant and Company Secretary and having more than 37 years of experience in industry. He is looking after finance, legal, banking, accounts and other commercial matters of the company.
2. **Past Remuneration: Rs.5,50,000** per month as Joint Managing Director of the Company.
3. **Recognition or Awards:** None.
4. **Job profile and his suitability :** He is looking after finance, legal, banking, accounts, marketing and other commercial matters of the company and proposed remuneration is low comparing his qualification, experience, efforts and responsibility as Joint Managing Director of the Company.
5. **Remuneration proposed:**
 - A. Salary: Rs. 2, 75,000 (Rupees Two Lacs Seventy Fifty Thousand) per month.
 - B. Perquisites:
 - i. Rent Free Accommodation: Rs. 3, 00,000 per month.
 - ii. Gas, electricity, water and furnishing – Reimbursement of expense incurred for gas, electricity, water and furnishing.
 - iii. Medical Reimbursement: Reimbursement of expenses incurred for the medical treatment for himself and his family.
 - iv. Club Fees: Fee of club subject to a maximum of two clubs, including admission and life membership fees.

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- v. Personal Accident Insurance Premium: Not exceeding Rs. 4,000/- p.a.
- vi. Leave travel Concession: First Class air passage for self, wife, dependent children and dependent parents, once in a year to any place within or outside India.
- vii. Telephone: The Company shall provide telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite.
- viii. Conveyance Allowance: Rs. 5,000/- per month.

Contribution to provident fund, superannuation and annuity fund will not be included in the computation of the ceiling on managerial remuneration to the extent these either singly or put together are not taxable under the Income Tax Act. Gratuity payable should not exceed half a month's salary for each completed year of service.

Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisite.

Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/ remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the individual appointee concerned.

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

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

7. Pecuniary relationship directly or indirectly with the Company or relationship with Managerial Personnel:

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

II. Disclosures:

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

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

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

ITEM 5 & 6:

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Pradeep Kumar (DIN: 03052477) and Mr. Purshotam Lal Sharma (DIN: 03509280) as Additional Non Executive Independent Directors, not liable to retire by rotation, for a term of 5 years from 29th September, 2018.

Pursuant to the provisions of Section 161(1) of the Act, each of these Directors shall hold office up to the date of this Annual General Meeting ("AGM") and are eligible to be appointed as Directors.

The Company has received declarations from Mr. Pradeep Kumar and Mr. Purshotam Lal Sharma to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, each of these Directors fulfil the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and they are independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

A brief profile of the Independent Directors to be appointed is given below:

A. Mr. Pradeep Kumar (DIN: 03052477):

Name of the Director	Mr. Pradeep Kumar
Date of Birth	15 th August, 1949
Nationality	Indian
Date of Appointment on Board	29 th September, 2018
Qualifications	B.Sc., CAIIB
Nature and Expertise in specific functional areas	More than 36 years of experience in Banking Industry.
Number of shares held in Company	NIL
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	NIL

B. Mr. Purshotam Lal Sharma (DIN: 03509280):

Name of the Director	Mr. Purshotam Lal Sharma
Date of Birth	28th April, 1951
Nationality	Indian
Date of Appointment on Board	29th September, 2018
Qualifications	B.E.(Metallurgical Engg.), Diploma in HR & Labour Welfare
Nature and Expertise in specific functional areas	More than 38 year of experience as manufacturing head with Punjab Tractors Ltd. and CEO with Indofarm Tractors Ltd.
Number of shares held in Company	NIL
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	NIL

The Board recommends the Resolutions at Item Nos. 5 and 6 of this Notice for approval of the Members.

None of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolutions set out at Item Nos. 5 and 6 of the Notice.

Mr. Pradeep Kumar (DIN:03052477) and Mr. Purshotam Lal Sharma (DIN: 03509280), who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing their candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

Disclosures:

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

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

No Director, Key Managerial Personnel or their relatives, are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company.

ITEM 7 & 8:

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Baskaran Kesavareddiyar (DIN: 07176788) and Mrs. Bhavana Rao (DIN: 00956209) as Additional Non Executive Nominee Directors, not liable to retire by rotation, for a term of 5 years from 29th September, 2018.

Pursuant to the provisions of Section 161(1) of the Act, each of these Directors shall hold office up to the date of this Annual General Meeting ("AGM") and are eligible to be appointed as Directors.

The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

A brief profile of the Nominee Directors to be appointed is given below:

A. Mr. Baskaran Kesavareddiyar (DIN: 07176788):

Name of the Director	Mr. Baskaran Kesavareddiyar
Date of Birth	27 th July, 1960
Nationality	Indian
Date of Appointment on Board	29 th September, 2018
Qualifications	M. Sc Agriculture, CAIIB, Dip. In Computer Applications.
Nature and Expertise in specific functional areas	More than 36 years of experience in Banking Industry.
Number of shares held in Company	NIL
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	NIL

B. Mrs. Bhavana Rao (DIN: 00956209):

Name of the Director	Mrs. Bhavana Rao
Date of Birth	7 th December, 1967
Nationality	Indian
Date of Appointment on Board	29 th September, 2018
Qualifications	B.Sc, MCA, PG Diploma in Management.
Nature and Expertise in specific functional areas	22 years of experience in finance and related fields.
Number of shares held in Company	NIL
List of Directorship and Committee membership in Listed Companies [other than Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited)]	NIL

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The Board recommends the Resolutions at Item Nos. 7 and 8 of this Notice for approval of the Members.

None of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolutions set out at Item Nos. 7 and 8 of the Notice.

Disclosures:

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

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

No Director, Key Managerial Personnel or their relatives, are directly or indirectly concerned or interested in the above resolution except to the extent of their shareholding (including his relatives), if any, in the Company.

ITEM 9:

The Board at its meeting held on 30th May, 2019, on the recommendations of the Audit Committee, has appointed M/s S.K. Jain & Co., Cost Accountants as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 on a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only) plus taxes as applicable and out of pocket expenses, as recommended by the audit committee. In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company.

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

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 25th September, 2019 at 9:00 A.M. and ends on 27th September, 2019 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website www.evotingindia.com.
4. Click on Shareholders.
5. Now enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) -Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number printed on attendance slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. -If both the details are not recorded with the Depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (4).

9. After entering these details appropriately, click on "SUBMIT" tab.
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. **Click on the EVSN i.e. 190822061 for the relevant Company Name, i.e. Him Teknoforge Limited (Formerly known as Gujarat Automotive Gears Limited) on which you choose to vote.**
13. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

16. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Shareholder can also use Mobile app –”m-Voting” for e voting. M-Voting app is available on Apple, Android and Windows based mobile. Shareholder may login to m-Voting using their e-Voting Credentials to vote for the Company resolution(s).
20. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Dated : 14.08.2019

Place: Baddi

For and on Behalf of Board

**Sd/-
Rajiv Aggarwal
Joint Managing Director
DIN: 00094198**

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

BOARD'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 48th Annual Report of the Company together with the audited accounts for the Financial Year ended March 31, 2019.

1. Financial summary or highlights/Performance of the Company

FINANCIAL RESULTS:

(Rupees in lakhs)

Particulars	2018-2019	2017-2018
Revenue from Operation	32379.30	27375.43
Add: Other Income	415.76	345.21
Total Income	32795.06	27720.64
Profit before Depreciation and Tax (PBDT)	2145.19	1827.93
Less: Depreciation & Amortisation	835.48	735.16
Profit Before Tax before Exceptional Item	1309.71	1092.77
Exceptional Item	783.89	0
Profit Before Tax (PBT)	2093.60	1092.77
Less: Taxes		
(a) Current Year Tax	356.75	234.87
(b) Deferred Tax	(93.23)	(193.87)
Profit After Tax	1830.08	1051.77
Dividend	50%	20%
Earnings per Shares (Rs. 2/- each) (Basic & Diluted)	23.27	13.37

2. Dividend.

The Board of Directors of your company is pleased to recommend a dividend of Rs. 1/- per equity share of the face value of Rs. 2/- each (@ 50%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure.

3. Reserves.

No amount has been transferred to General Reserve.

4. Brief description of the Company's working during the year/State of Company's affair.

Total turnover during the year is Rs. 32379.30 Lakh (Previous Year Rs. 27375.43 Lakh). We have made a Profit after depreciation and interest of Rs. 2093.60 Lakh (Previous Year Profit of Rs. 1092.77 Lakh).

5. Change in the nature of business, if any.

There is no change in the nature of business during the financial year 2018-19.

6. Material changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report:

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

7. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

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

8. Details of Subsidiary/Joint Ventures/Associate Companies.

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

9. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

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

10. Deposits.

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

11. Auditors.

Statutory Auditors:

M/s M. L. BHUWANIA AND CO. LLP (FRN: 101484W/W 100197) and M/S PRAASSOCIATES (FRN: 2355N), Chartered Accountants, were appointed as the Joint Auditors of the Company for the period of 5(five) years who shall hold the office as Joint Auditors of the Company till 51st Annual General Meeting of the company to be held in the year 2022.

M/s M. L. BHUWANIA AND CO. LLP (FRN: 101484W/W 100197), Chartered Accountants, expressing its disability to continue due to their pre occupation and voluntarily resigned as Joint Statutory Auditors w.e.f. 3rd August, 2018. Whereas, **M/S. PRAASSOCIATES (FRN: 2355N) shall continue to act Statutory Auditors of the Company.**

Internal Auditors:

M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai for Baroda Unit and M/s Anand Saklecha & Co., Chartered Accountants, for Indore Unit, have been appointed as Internal Auditors of the Company in terms of Section 138 of the Companies Act, 2013 and rules & regulations, made thereunder, for the Financial Year 2019-20 by the Board of Directors, upon recommendation of the Audit Committee.

12. Auditors' Report.

No qualification, reservation or adverse remark or disclaimer has been made by the auditor in their Auditors' Report for the year 2018-19.

13. Share Capital.

During the year under review, the Company has not issued any securities nor has granted any stock option or sweat equity.

14. Annual Return.

As per latest amendment in section 92 of the Companies Act, 2013, a copy of annual return will be displayed on Company's web site i.e. www.gagl.net after filing annual return after completion of ensuing Annual General Meeting with the Registrar of Companies within the time stipulated in said section 92 of Act. The extract of the Annual Return in Form No. MGT – 9 forming part of the Board's report is attached herewith as **(Annexure-A)**.

15. Conservation of energy, technology absorption and foreign exchange earnings and outgo.

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

16. Corporate Social Responsibility (CSR).

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

17. Directors.

A) Changes in Directors and Key Managerial Personnel

The following changes in Directors and Key Managerial Personnel were made during the financial year 2018-19:

Sr. No.	Name of Director/ Key Managerial Personnel	Designation	Category	Date of Appointment	Date of Cessation
1.	Ms. Snehal Atulkumar Chokshi	Company Secretary	--	01.06.2018	--
2.	Ms. Anju Aggarwal	Non-Executive Non-Independent Director	Promoter Director	--	22.11.2018
3.	Mr. Baskaran Kesavareddiyar	Nominee Director	Additional Director	-	29.09.2018
4.	Ms. Bhavna Rao	Nominee Director	Additional Director	-	29.09.2018
5.	Mr. Purshotam Lal Sharma	Non-Executive Independent Director	Additional Director	-	29.09.2018
6.	Mr. Pradeep Kumar	Non-Executive Independent Director	Additional Director	-	29.09.2018
7.	Mr. Baskaran Kesavareddiyar	Nominee Director	Additional Director	29.09.2018	-
8.	Ms. Bhavna Rao	Nominee Director	Additional Director	29.09.2018	--
9.	Mr. Purshotam Lal Sharma	Non-Executive Independent Director	Additional Director	29.09.2018	-
10.	Mr. Pradeep Kumar	Non-Executive Independent Director	Additional Director	29.09.2018	

* Ms. Anju Aggarwal (DIN: 00094267) has resigned from her directorship w.e.f. 22nd November, 2018, and the Board had took note of the same through Resolution passed by Circulation.

B) Declaration by an Independent Director(s):

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

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

- a) persons of integrity and they possess relevant expertise and experience;
- b) not a promoter of the Company or its holding, subsidiary or associate company;
- c) not related to promoters or directors of the company, or its holding, subsidiary or associate company;
- d) have/had no pecuniary relationship with the company, its holding or subsidiary or associate company or promoters or directors of the said companies during the two immediately preceding financial years or during the current financial year;

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

- e) none of their relatives have or had pecuniary relationship or transactions with the company, its holding, subsidiary or associate company or promoters or directors of the said companies amounting to two percent or more of its gross turnover or total income or fifty lakh rupees whichever is lower during the two immediately preceding financial years or during the current financial year;
- f) neither they nor any of their relatives –
 - i. hold or have held the position of a key managerial personnel or are or have been employees of the Company or its holding, subsidiary, associate company in any of the three financial years immediately preceding the current financial year.
 - ii. are or had been employee or proprietor or a partner in any of the three financial years immediately preceding the current financial year of
- a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company
or
- b) any legal or consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of gross turnover of the said firm;
- iii) hold together with their relatives two percent or more of the total voting power of the company or
- iv) is a Chief Executive or director of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of the promoters or directors of the company or its holding, subsidiary or associate company or that holds two percent or more of the total voting powers of the company;
- g) Possess qualifications prescribed in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

C) Formal Annual Evaluation.

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

18. Meetings:

An agenda of Meetings is prepared and circulated in advance to the Directors. During this year, six (6) Board and four (4) Audit Committee Meetings, were convened and held, the details of which are given in the Corporate Governance Report.

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

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

19. Particulars of loans, guarantees or investments under section 186.

The Company has not given loans or guarantee or made an investment during the financial year 2018-2019.

20. Particulars of contracts or arrangements with related parties:

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

21. Managerial Remuneration:

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

22. Secretarial Audit Report:

The Secretarial Audit Report pursuant to section 204(1) of the Companies Act, 2013 given by M/s. Dinesh Mehta & Co., a company secretary in practice enclosed herewith **(Annexure- F)**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except following observations:

1. Notice received from BSE with regard to Non-Compliance of Regulation 17(1) for the quarter ended 30.09.2018, as the strength of the Independent Directors was less than 50% of the Total numbers of directors including Nominee Director.
2. Non- Compliance with requirement of 100% of shareholding of promoter(s) and promoter(s) group in dematerialized form as per Regulation 31(2) of SEBI (LODR) Regulations, 2015 regarding holding of specified securities and shareholding pattern.

Explanation to qualification to Secretarial Audit Report:

1. The Company had paid Penalty to BSE Limited for the Non-Compliance of Regulation 17 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, within time period and the Board Composition of the Company has been as per the requirement of Regulations as on date.
2. Pursuant to the scheme of Amalgamation, the Shares of the Company were allotted to the shareholders in Physical and d-mat form and the shareholders also include promoter shareholders, which are under process of Dematerialization as on 31st March, 2019.

23. Corporate Governance Report.

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

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

24. Management Discussion and Analysis Report.

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

25. Risk management.

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

26. Directors' Responsibility Statement

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

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

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

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

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

28. Investor Education and Protection Fund:

Pursuant to the provisions of Section 124(5) the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven (7) years. Consequently, your Company has transferred Rs.11,47,500/- during the year to the Investor Education and Protection Fund, lying with it for a period of seven years pertaining to year 2010-11.

In pursuance of the above, pursuant to the transfer of the unclaimed dividend for the year 2010-11 to the IEPF on 24 August, 2018 i.e. upon completion of seven years from transfer of dividend into unclaimed dividend account, 4275 (Four Thousand Two Hundred Seventy Five) Equity Shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2010-11 have been transferred into demat account of IEPF Authority.

The Equity shares once transferred into IEPF can only be claimed by the concerned shareholder from IEPF Authority after complying with the procedure prescribed under the Rules and the Amended Rules.

29. Cost Audit:

M/s. S. K. Jain & Co. Cost Accountants, were appointed with the approval of the Board to carry out the cost audit for F.Y. 2018-19. Based on the recommendation of the Audit Committee, M/s. S. K. Jain & Co., Cost Accountants, being eligible, have also been appointed by the Board as the Cost Auditors for F.Y. 2019-20.

The Company has received a letter from them to the effect that their appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

The remuneration to be paid to M/s. S.K. Jain & Co., for F.Y. 2019-20 is subject to ratification by the shareholders at the ensuing AGM.

Cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are made and maintained by the Company.

30. Acknowledgements

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

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

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

For and on Behalf of Board
Sd/-

Vijay Aggarwal
Chairman

DIN: 00094141

Dated : 14.08.2019

Place: Baddi

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

Annexure - A

Form No. MGT 9

Extract of Annual Return for the financial year ended on 31.03.2019

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

I. Registration and other details:

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

II. Principal Business activities of the Company;

Business activities contributing 10% or more of the total turn over of the Company			
Sr. No.	Name and Description of main products / services	*Industrial Group	% to total turnover of the Company.
1	Manufacture of parts and accessories for motor vehicle	293	51.16%
2	Forging	259	48.84%

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

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

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

1) Category wise Share holding

Category of Shareholders	No. of shares held at the beginning of the year i.e. on 01.04.2018				No. of shares held at the end of the year i.e. on 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoters Group									
1. Indian									
a. Individual / HUF	173655	3331233	3504888	44.56	3379302	125586	3504888	44.56	0.00
b. Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d. Bodies Corporate	273500	534820	808320	10.28	808320	0	808320	10.28	0.00
e. Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f. Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub - total (A) (1) :-	447155	3866053	4313208	54.83	4187622	125586	4313208	54.83	0.00
2. Foreign									
a. NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b. Other individuals	0	0	0	0.00	0	0	0	0.00	0.00
c. Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d. Bank / FI	0	0	0	0.00	0	0	0	0.00	0.00
e. Any other..	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of promoters & Promoter Group (A) = (A)(1) + (A)(2)	447155	3866053	4313208	54.83	4187622	125586	4313208	54.83	0.00

Annual Report 2018-19

Category of Shareholders	No. of shares held at the beginning of the year i.e. on 01.04.2018				No. of shares held at the beginning of the year i.e. on 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public shareholding									
1. Institutions									
a. Mutual Funds	0	39231	39231	0.50	36375	0	36375	0.46	-0.04
b. Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
c. Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d. State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g. FII's	0	0	0	0.00	0	0	0	0.00	0.00
h. Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
l. Others (GOVT)	54600	0	54600	0.69	58875	0	58875	0.75	0.05
Sub – total (B)(1) :-	54600	39231	93831	1.19	95250	0	95250	1.21	0.02
2. Non – institutions									
a) Bodies Corporate									
i) Indian	1042616	500	1043116	13.26	1007652	500	1008152	12.82	-0.44
ii) overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital share capital up to Rs. 1 lakh.	509654	73297	582951	7.41	561432	55682	617114	7.85	0.43
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	0	0	0	0.00	0	0	0	0.00	0.00
c) others (HUF and NRI)	57762	0	57762	0.73	57144	0	57144	0.73	-0.01
d) Trust	1775148	0	1775148	22.57	1775148	0	1775148	22.57	0.00
e) Director or Directors Relative	0	0	0	0.00	0	0	0	0.00	0.00
Sub – total (B)(2) :-	1610032	73797	3458977	43.97	3401376	56182	3457558	43.96	-0.02
Total Public Shareholding (B) = (B)(1) + (B)(2)	1664632	113028	3552808	45.17	3496626	56182	3552808	45.17	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	2111787	3979081	7866016	100.00	7684248	181768	7866016	100.00	0.00

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

ii) Shareholding of Promoters & Promoter Group

Sr No	Shareholders Name	Shareholding at the beginning of the year i.e. on 01.04.2018			Share holding at the end of the year i.e. on 31.03.2019			% 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	Vinod Aggarwal	553598	7.04	0.00	553599	7.04	62.63	0.00
2	Asha Aggarwal	472967	6.01	0.00	493309	6.27	0.00	0.26
3	Globe Precision Industries Pvt Ltd	596577	7.58	0.00	596577	7.58	0.00	0.00
4	Rajiv Aggarwal	990306	12.59	0.00	990306	12.59	57.67	0.00
5	Vijay Aggarwal	746634	9.49	0.00	746633	9.49	85.69	0.00
6	Urmil Aggarwal	129327	1.64	0.00	129327	1.64	0.00	0.00
7	Nitin Aggarwal	32661	0.42	0.00	32661	0.42	0.00	0.00
8	Anju Aggarwal	213592	2.72	0.00	213592	2.72	0.00	0.00
9	Ankur Aggarwal	31767	0.40	0.00	31767	0.40	0.00	0.00
10	Manan Aggarwal	91230	1.16	0.00	91230	1.16	0.00	0.00
11	Daya Rani	197749	2.51	0.00	197749	2.51	0.00	0.00
12	Medha Gupta	3554	0.05	0.00	3554	0.05	0.00	0.00
13	Mrinal Aggarwal	6648	0.08	0.00	6648	0.08	0.00	0.00
14	Rajiv Aggarwal (HUF)	5082	0.06	0.00	5082	0.06	0.00	0.00
15	Vinod Aggarwal (HUF)	4516	0.06	0.00	4516	0.06	0.00	0.00
16	Vijay Aggarwal (HUF)	4823	0.06	0.00	4823	0.06	0.00	0.00
17	Mukesh Kumar	92	0.00	0.00	92	0.00	0.00	0.00
18	Rohan Aggarwal	20342	0.26	0.00	0	0.00	0.00	-0.26
19	Him Overseas Pvt Ltd	160011	2.03	0.00	160011	2.03	0.00	0.00
20	Him Chem. & Fert. Pvt Ltd	369	0.00	0.00	369	0.00	0.00	0.00
21	P.C.Alloys Pvt Ltd	51363	0.65	0.00	51363	0.65	0.00	0.00
	Total	4313208	54.83	0.00	4313208	54.83	0.00	0.00

iii) Change in Promoters & Promoters Group Shareholding.

Sr. No.	Name of Promoter	Date	Shareholding/change in shareholding during the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of Shares	% of the total shares of the Company
1	Asha Aggarwal	07.01.2019	20342	0.26	493309	6.27
2	Rohan Aggarwal	07.01.2019	20342	0.26	0	0.00

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

Sr No.	Name of Shareholder	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding at the end of the year 31.03.2019	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	India Automotive Components Manufacturer Private Equity Fund-1 Domestic (IACM-1-D)	983077	12.50	962524	12.24
2	Canbank Venture Capital Fund Limited, Trustee of Canbank Venture Capital Fund (Emerging India Growth Fund CVCF V)	1775148	22.57	1775148	22.57
3	Investor Education and Protection Fund - Ministry of Corporate Affairs	54600	0.69	58875	0.75
4	Globe Capital Market Ltd	9759	0.12	9759	0.12
5	Bharat N Shah, Varsha B Shah	7000	0.09	7000	0.09
6	Franklin Templeton Mutual Fund A/C Frankin India Prime Fund	39231	0.50	36375	0.46
7	Sundaesan Kannan	6595	0.08	6595	0.08
8	Vaddi Srinivasa Bose Babu	5000	0.06	5750	0.07
9	Naveen Kumar Ramchandani	6037	0.08	5395	0.07
10	Vijaykumar Babulal Shah	5237	0.07	5237	0.07

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

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Directors and KMPs	Shareholding at the beginning of the year i.e. on 01.04.2018		Shareholding at the end of year i.e. on 31.03.2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Rajiv Aggarwal	990306	12.59	990306	12.59
2	Anju Aggarwal *	213592	2.72	213592	2.72
3	Ravikant Dhawan	500	0.03	500	0.03
4	Rajendra Prasad Sinha	--	--	--	--
5	Vijay Aggarwal	746634	9.49	746633	9.49
6	Pradeep Kumar	--	--	--	--
7	Purshotam Lal Sharma	--	--	--	--
8	Baskaran Kesavareddiyar	--	--	--	--
9	Bhavna Rao	--	--	--	--
10	Shailesh Gandhi	--	--	--	--
11	Snehal Chokshi	--	--	--	--

*Mrs. Anju Aggarwal has resigned from directorship w.e.f. 22.11.2018

V. INDEBTEDNESS

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

Particulars		Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year i.e. 01.04.2018					
I)	Principal Amount	11485.75	0	0	11485.75
ii)	Interest due but not paid	0	0	0	0
iii)	Interest accrued but not due	8.97	0	0	8.97
Total (i+ii+iii)		11494.72	0	0	11494.72
Change in indebtedness during the financial year					
Addition		2654.43	0	0	2654.43
Reduction		1630.35	0	0	
Net Change		1024.08	0	0	2654.43
Indebtedness at the end of the financial year i.e. on 31.03.2019					
I)	Principal Amount	12508.83	0	0	12508.83
ii)	Interest due but not paid	0	0	0	0
iii)	Interest accrued but not due	26.21	0	0	26.21
Total (i+ii+iii)		12535.04	0	0	12535.04

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs.)
		Rajiv Aggarwal *[Joint Managing Director]	Vijay Aggarwal [Managing Director]	
1	Gross Annual Salary	3360000	3420000	6780000
	Salary as per provisions contained in section 17(1) of the Income tax Act 1961			
	Value of perquisites u/s 17(2) Income tax Act, 1961	281400	284400	565800
	Profits in lieu of Salary under section 17(3) Income tax Act, 1961.	0	0	
2	Stock Option	0	0	
3	Sweat Equity	0	0	
4	Commission			
	- as a % of profit	0	0	
	- others, specify	0	0	
5	Others, Please Specify	0	0	
	Total (A)	3641400	3704400	7345800
	Ceiling as per the Act	6600000	12000000	18600000

* Remuneration of Mr. Rajiv Aggarwal includes Amount of contribution to Provident Fund of Rs. 21600.

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B. Remuneration to other directors

Particulars of Remuneration [Annual]	Name of the Director				Total Amount (Rs)
	Rajendra Prasad Sinha	Ravikant Dhawan	Pradeep kumar	Purshotam Lal Sharma	
1. Independent Directors					
Fees for attending board meetings	25000	15000	25000	30000	95000
Commission	0	0	0	0	
Others, Please Specify	0	0	0	0	
Total (1)	25000	15000	25000	30000	
2. Other Non Executive Directors.	Anju Aggarwal	K. Baskaran	Bhavana Rao		
Fees for attending board meetings	20000	20000	15000		55000
Commission	0	0	0		
Others, Please Specify	0	0	0		
Total (2)	20000	20000	15000		
Total (B)=(1+2)					150000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. in Lakhs)

SI No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary*	Chief Financial Officer	
1	Gross Annual Salary (a) Salary as per provisions contained in Sec 17(1) of the Income tax Act 1961.	2.11	4.4	6.51
	(b) Value perquisites u/s 17(2) Income tax Act, 1961.	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income tax act ,1961.	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	-as % of profit	--	--	--
	-others, specify	--	--	--
	Total	2.11	4.4	6.51

* Remuneration of Company Secretary includes the remuneration for the part of the year as Company Secretary had been appointed w.e.f. 01.06.2018.

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

Dated : 14.08.2019

Place: Baddi

For and on behalf of Board

Sd/-

Vijay Aggarwal

Chairman

DIN: 00094141

ANNEXURE - B

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

(A) Conservation of energy:

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

(B) Technology absorption:

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

(C) Foreign exchange earnings and Outgo

Particulars	Amount (Rs.)	
	Foreign Exchange earned in terms of actual inflows during the year	Rs. 3274.70 Lakhs
Foreign Exchange outgo during the year in terms of actual outflows	Rs.610.94 Lakhs	P.Y (143.7 Lakhs)

For and on behalf of Board

Sd/-

Vijay Aggarwal

Chairman

DIN: 00094141

Dated : 14.08.2019

Place: Baddi

ANNEXURE – C

Report on Corporate Social Responsibility

Composition of CSR Committee.

CSR Committee comprising of the following Directors of the Board:

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

Committee met on 14.02.2019, during the year 01st April, 2018 to 31st March, 2019.

Details about CSR Expenditure.

Sr. No	Particulars	Amount (Rs)
1.	Average Net Profit of the Company for last three Financial Years.	83319426.00
2.	CSR Expenditure required to incurred (2% of Avg. net profit of last 3 Financial Year + c/f amount)	2130600.00
3.	Total Amount spent during the year	114132.00
4.	Amount Unspent*	2016468.00

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

S. no	CSR Project/ activity identified	Projects or programs 1.Local area or other 2.State or district where projects or programs were under taken	Sector in which the project is covered	Amount outlay (Budget) (Rs.)	Amount spent on projects or programs (Rs.)	Amount spent Direct or through implementing Agency
1.	Promoting preventive health care & Sanitation	Ramgarh, Panchkula	Health care	27632	27632	Donation made to Blood Donation Camp at Ramgarh, Panchkula.
		Gametha, Vadodara	Swatch Bharat Kosh	20000	20000	Donation to build Public Toilet (Sulabh Sauchalaya) at Gametha Village, Vadodara 391430.
2.	Promoting education, including special education and employment enhancing vocation skills.	Vadodara, Gujarat.	Promoting Education & culture.	27500	27500	Through United Way of Baroda

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3	Promotion of Culture	Gametha, Vadodara	Promoting Culture	7000	7000	Gametha Gram Panchayat, Gametha, Vadodara
4.	Contribution to Fund set up by Central Govt.		Kerala Relief Fund	21000	21000	Online Payment made to Kerala Flood Relief fund.
5.	Promotion of Rural Sports		Adventure Sports Society	11000	11000	Online payment made to Adventure Sports Society.
TOTAL					1,14,132.00	

Reason for unspent amount:

Him Teknoforge Limited (HTL) considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society.

HTL CSR initiatives are on the focus areas approved by the Board benefitting the community. However, the company has just embarked on the journey of ascertained CSR programs..

For this reason, during the year, the Company's spend on the CSR activities has been less than the limits prescribed under the Companies Act, 2013. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements.

Responsibility statement of CSR Committee:

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

For and on behalf of Board
Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

ANNEXURE-D

Form No. AOC-2

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

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

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

i)	Name of the related party :	Globe Precision Industries Pvt. Ltd.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director, Mr. Rajiv Aggarwal, Joint Managing Director and Mrs. Anju Aggarwal, Director of the Company are relatives of the Directors of the said Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges paid and received.	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		30.05.2018	1 year [01.04.2018 to 31.03.2019]
iv)	Salient terms of contracts or arrangements :	Purchase of material by the Company on 30 days credit terms.	
v)	Value of transaction undertaken during the year.	1. Purchase of Material : Rs. 950.57 Lacs 2. Sales of Material : Rs. 10408.48 Lacs 3. Job Work Charges paid: Rs. 47.30 Lacs 4. Job Work Charges Received: Rs. 126.99 Lacs 5. Sale of Fixed Assets: Rs. 1.77 Lacs 6. Purchase of Fixed Assets: Rs. 1.70 Lacs	
vi)	Amount paid in advance, if any :	No advanced is paid.	

i)	Name of the related party :	Himachal Shots & Metals Pvt. Ltd.	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director, Mr. Rajiv Aggarwal, Joint Managing Director and Mrs. Anju Aggarwal, Director of the Company are relatives of the Directors of the said Company.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		30.05.2018	1 year [01.04.2018 to 31.03.2019]
iv)	Salient terms of contracts or arrangements :	Purchase of material by the Company on 30 days credit terms.	
v)	Value of transaction undertaken during the year.	1. Purchase of Goods : Rs. 56.97 Lacs 2. Sales of Goods: Rs. 216.10 Lacs	
vi)	Amount paid in advance, if any :	No advanced is paid.	

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i)	Name of the related party :	Him Overseas	
	Nature of Relationship :	Mr. Vijay Aggarwal, Managing Director, Mr. Rajiv Aggarwal, Joint Managing Director and Mrs. Anju Aggarwal, Director of the Company are relatives of the partner for the said Firm.	
ii)	Nature of contract/ arrangement:	Purchase and sale of Goods, Fixed Assets, Job Work charges	
iii)	Date of approval by Board and Duration of Contract.	Date of Approval by Board	Duration of Contract
		30.05.2018	1 year [01.04.2018 to 31.03.2019]
iv)	Salient terms of contracts or arrangements :	Purchase of material by the Company on 30 days credit terms.	
v)	Value of transaction undertaken during the year.	1. Purchase of Goods : Rs. 0.55 Lacs 2. Sales of Goods : Rs. 0.79 Lacs 3. Job Work Charges paid: Rs. 0.98 Lacs 4. Job Work Charges Received: Rs. 3.37 Lacs	
vi)	Amount paid in advance, if any :	No advanced is paid.	

Dated : 14.08.2019

Place: Baddi

For and on behalf of Board

Sd/-

Vijay Aggarwal

Chairman

DIN: 00094141

ANNEXURE - E

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

	Name of Directors and KMPs.	The Ratio of the remuneration of each Directors to the median remuneration of the employees of the company for the financial year 2018-19.	The Percentage increase in remuneration of each Directors, and KMPs, if any in the financial year 2018-19.	
(i)	Mr. Vijay Aggarwal [Managing Director]	68.68	5.24%	
	Mr. Rajiv Aggarwal [Joint Managing Director]	36.11	-	
	Mr. Shailesh Gandhi [CFO]	NA	0.46%	
	Ms. Snehal Chokshi* [Company Secretary]	NA	N.A.	
(ii)	Percentage increase in the median remuneration of employees in the financial year 2018-19 compared to 2017-18		16.12%	
(iii)	Number of permanent employees on the rolls of the company as on 31.03.2019.		1483	
	Average percentage increase in salaries of Employees other than managerial personnel.		20.83%	
(vii)	Comparison between average percentage increase in salaries of Employees other than managerial personnel in the last financial year and percentage increase in the Managerial Remuneration. And Justification if there any exceptional circumstances for increase in Managerial Remuneration.		Avg % Increase in Managerial Remuneration.	Avg % increase in salaries of Employee other than managerial personnel.
			3.12%	20.83%
(ix)	Key parameter for any variable component of remuneration availed by the Directors.		NA	
(x)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year.		Nil	

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

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

*Appointment of Ms. Snehal chokshi w.e.f. 01.06.2018.

ANNEXURE - F
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

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

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 (audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period); and
 - (i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Listing Regulations)
- (vi) As informed to us the following other laws specifically applicable to the company are as under:
 - 1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 - 2. The Factories Act, 1948
 - 3. The Industrial Employment (Standing Orders) Act, 1946
 - 4. The Maternity Benefit Act, 1961
 - 5. The Minimum Wages Act, 1948
 - 6. The Payment of Wages Act, 1936
 - 7. The Negotiable Instruments Act, 1881
 - 8. The Payment of Gratuity act, 1972
 - 9. The Workmen's Compensation Act, 1922

10. The Contract Labour (Regulation & Abolition) Act,1970
11. The Industrial dispute Act,1947
12. The Payment of Bonus Act,1965
13. The Employment Exchange Act,1959
14. The Apprentice Act,1961
15. The Equal Remuneration Act, 1976
16. The Employees' State Insurance Act, 1948
17. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In respect of above laws specifically applicable to the Company, we have relied on information /records produced by the company during the course of our audit on test check basis and limited to that extent, the company has complied with the above laws 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 Listing Agreements entered into by the Company with the Bombay Stock Exchange.

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

1. Non compliance of Regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Company was in Non-Compliance of Regulation 17 (1), The Strength of Independent Directors was less than 50% of the total number of Directors including Nominee Director during the quarter ended on 30/09/2018 for which the Company has issued notice from the BSE.

The BSE had issued notice for non-compliance of Regulations 17(1), 18(1), 19(1), 20(2), 21(2) of SEBI (LODR) Regulations, 2015 but after making written communication, the BSE has agreed that the Company has complied all the provisions mentioned in the notice except regulation 17(1) and accordingly penalty was imposed for that only, which was paid by the company. The Company has accordingly paid the penalty of Rs. 5,42,800/- for non-compliance of Regulation 17(1).

2. Non compliance with the requirement of 100% of shareholding of promoter(s) and promoter group in dematerialized form as per Regulation 31(2) of SEBI (LODR) Regulations, 2015 regarding Holding of specified securities and shareholding pattern.

Promoters of the Company are holding 54.83% (i.e. 4313208 equity shares) of total equity shares (7866016) of the company. Out of total share of promoters, 2.912% (i.e. 125586 equity shares) are held in physical mode and remaining are in demat mode as on 31st March, 2019.

We further report that details of Directors appointed and resigned during the period under review are as follows:

Sr. No.	Name of the Director	Nature	Date of Appointment	Designation
1	BHAVANA RAO	Appointment	30/05/2018	Nominee Director
2	PRADEEP KUMAR	Vacation of office u/s 161	29/09/2018	Director
3	PURSHOTAM LAL SHARMA	Vacation of office u/s 161	29/09/2018	Director
4	BASKARAN KESAVAREDDIYAR	Vacation of office u/s 161	29/09/2018	Nominee Director
5	BHAVANA RAO	Vacation of office u/s 161	29/09/2018	Nominee Director
6	PRADEEP KUMAR	Appointment	29/09/2018	Additional Independent Director
7	PURSHOTAM LAL SHARMA	Appointment	29/09/2018	Additional Independent Director
8	BASKARAN KESAVAREDDIYAR	Appointment	29/09/2018	Additional Nominee Director
9	BHAVANA RAO	Appointment	29/09/2018	Additional Nominee Director
10	ANJU AGGARWAL	Resignation	22/11/2018	Director

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

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

For Dinesh Mehta & CO.
Company Secretaries
Sd/-
Dinesh Mehta
 Proprietor
 C.P.No.2127

Place: VADODARA
 Date: 30/06/2019

ANNEXURE - G
CORPORATE GOVERNANCE REPORT

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

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

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

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

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

Company's Philosophy on Code of Governance:

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

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

Composition of the Board for the period from 01st April, 2018 to 31st March, 2019:

Sr. No.	Name of Director	DIN	Designation	No. of Shares held
1.	Mr. Vijay Aggarwal	00094141	Managing Director	746633
2.	Mr. Rajiv Aggarwal	00094198	Joint Managing Director	990306
3.	Mrs. Anju Aggarwal*	00094267	Non-Executive Non-Independent Director	213592
4.	Mr. Ravikant Dhawan	00101878	Non-Executive Independent Director	500
5.	Mr. Rajendra Prasad Sinha	02129566	Non-Executive Independent Director	0
6.	Mr. Pradeep Kumar	03052477	Non-Executive Independent Director	0
7.	Mr. Purshotam Lal Sharma	03509280	Non-Executive Independent Director	0
8.	Mr. Baskaran Kesavareddiyar	07176788	Nominee Director	0
9.	Mrs. Bhavana Rao#	00956209	Nominee Director	0

Note:
*Mrs. Anju Aggarwal has resigned from directorship w.e.f. 22nd November, 2018 and the board had accepted the same through resolution by circulation.
Mrs. Bhavana Rao was appointed as Nominee Director w.e.f. 30th May, 2018 by the Board in its meeting held on 30th May, 2018.

1. Board of Directors:

As on March 31, 2019, The Board has eight (8) members comprising of Six (6) Non-Executive Directors out of which four (4) Independent Directors, two (2) Nominee Directors one of which is Woman Director and two (2) Executive Directors. The majority of Board members are Non-Executive Independent Directors as per the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015.

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

The details of the composition, nature of directorship, the number of meetings attended and the directorships in other Companies as at March 31, 2019 are detailed herein below:

Annual Report 2018-19

Name of the Director	Category	No. of Board Meetings held and attended during the year		Attendance at Last AGM held on 29.09.2018	*No. of other directorships and committee memberships / chairmanships		
		Held	Attended		Other directorships*	Committee Memberships**	Committee Chairmanships**
Mr. Vijay Aggarwal	Managing Director	6	6	Yes	0	0	0
Mr. Rajiv Aggarwal	Joint Managing Director	6	6	Yes	0	2	0
Mrs. Anju Aggarwal#	Non-Executive Director	6	4	Yes	0	0	0
Mr. Ravikant Dhawan	Independent Director	6	3	Yes	0	2	2
Mr. Rajendra Prasad Sinha	Independent Director	6	5	Yes	0	0	0
Mr. Pradeep Kumar	Independent Director	6	4	Yes	0	2	0
Mr. Purshotam Lal Sharma	Independent Director	6	5	Yes	0	1	0
Mr. Baskaran Kesavareddiyar	Nominee Director	6	4	No	0	0	0
Mrs. Bhavana Rao@	Nominee Director	6	4	No	1	0	0

Note:

Mrs. Anju Aggarwal had resigned from directorship w.e.f. 22nd November, 2018 and Board had accepted the same through resolution by circulation.

@ Mrs. Bhavana Rao was appointed as Nominee Director of IFCI Venture Capital Funds Limited w.e.f. 30th May, 2018.

*Other Directorships does not include Directorships of Private limited companies, Companies formed under section 8 of the Companies Act, 2013 and foreign companies.

**Chairmanship/ Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

Mr. Rajiv Aggarwal, Mr. Vijay Aggarwal & Mrs. Anju Aggarwal are related Directors.

Mrs. Bhavana Rao is holding directorship in one another Listed Company.

Number of Board Meetings held during the year 2018-19:

Name of the Director	Category of the Director	Date of Board Meeting and attendance					
		30.05.2018	14.08.2018	29.09.2018	13.11.2018	16.01.2019	14.02.2019
Mr. Vijay Aggarwal	Managing Director	✓	✓	✓	✓	✓	✓
Mr. Rajiv Aggarwal	Joint Managing Director	✓	✓	✓	✓	✓	✓
Mr. Ravikan Dhawan	Independent Director	✓	-	✓	✓	-	-
Mr. Rajendra Prasad Sinha	Independent Director	✓	✓	✓	✓	-	✓
Mrs. Anju Aggarwal*	Non-Executive Director	✓	✓	✓	✓	N.A.	N.A.
Mr. Pradeep Kumar	Independent Director	-	✓	N.A.	✓	✓	✓
Mr. Purshotam Lal Sharma	Independent Director	✓	✓	N.A.	✓	✓	✓
Mr. Baskaran Kesavareddiyar	Nominee Director	✓	✓	-	-	✓	✓
Mrs. Bhavana Rao#	Nominee Director	N.A.	✓	-	-	✓	✓

Note:

*Mrs. Anju Aggarwal, has resigned from directorship w.e.f. 22nd November, 2018 and Board has accepted the same through Resolution by circulation.

Mrs. Bhavana Rao had been appointed as Nominee Director of M/S IFCI Venture Capital Funds Limited w.e.f. 30th May, 2018.

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Confirmation as required under part C of schedule V of SEBI (LODR) Regulations:

A. The Board of Directors confirm that the independent directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 and are independent of the management of the Company. Further, the Board has obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of company by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

B. The list of core skills/expertise/competencies required under sub-clause h of clause 2 of part C of schedule V of SEBI (LODR) Regulations:

The Board of Directors of the Company comprises the expertise in the following skill areas:

Skill Area	Description
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.
Policy Development	Ability to identify key issues and opportunities for the Company and develop appropriate policies to define the parameters within which the organization should operate.
Governance, Risk and Compliance	Experience in the application of corporate governance principles as per law. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance. Experience in the appointment and evaluation of a CEO and senior executive managers
Financial Performance	Qualifications and experience in accounting and/or finance and the ability to: Analyze key financial statements; Critically assess financial viability and performance; Contribute to strategic financial planning; Oversee budgets and the efficient use of resources; Oversee funding arrangements and accountability
Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.
Marketing & Communications	Knowledge of and experience in marketing the product of the Company. Experience in, or a thorough understanding of, communication with industry groups and/or end users through a range of relevant communication channels.
Member and stakeholder engagement	High level reputation and established networks and the ability to effectively engage and communicate with key stakeholders.
Commercial Experience	A broad range of commercial/business experience, preferably in the small to medium enterprise context, in areas including communications, marketing, branding and business systems, practices and improvement.
Legal	Qualification and experience in legal practice with emphasis on: Commercial laws Employment laws Health & Safety legislations
Human Resource Management	Qualification and experience in human resource management with an understanding of: Engineering Industry Employment laws
Information Technology/Digital Skills	Qualification and experience in Information Technology and/or Digital industries with an ability to apply new technology to the Company

C. Detailed reasons for the resignation of Independent Directors as required under sub-clause j of clause 2 of part C of schedule V of SEBI (LODR) Regulations:

Not applicable as no Independent Directors has resigned during F.Y. 2018-19.

2. Committees of the Board:

Recognizing the immense contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to have a close focus on various facets of the business, the Board has constituted the following five (5) Committees of the Board.

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. CSR Committee
- v. Share Transfer Committee

(i) **Audit Committee:**

The terms of reference:

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

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

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

Composition as well as Attendance of Audit Committee:

Name	Category	Status	No. of Meeting entitled to attend	No. of Meeting Attended
Mr. Ravikant Dhawan	Independent Director	Chairman	4	2
Mr. Rajiv Aggarwal	Joint Managing Director	Member	4	4
Mr. P. L. Sharma	Independent Director	Member	4	4
Mr. Pradeep Kumar	Independent Director	Member	4	3

During the year from 01.04.2018 to 31.03.2019 the Audit Committee met four (4) times on 30.05.2018, 14.08.2018, 13.11.2018 and 14.02.2019.

(ii) **Nomination and Remuneration Committee:**

The terms of reference:

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

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

Composition as well as Attendance of Nomination and Remuneration Committee:

Name	Category	Status	No. of Meeting Attended.
Mr. Rajendra Prasad Sinha	Independent Director	Chairman	1/2
Mr. Ravikant Dhawan	Independent Director	Member	1/2
Mr. Pradeep Kumar	Independent Director	Member	1/2
Mr. P.L. Sharma*	Independent Director	Chairman	1/2

During the year from 01.04.2018 to 31.03.2019 the Nomination & Remuneration Committee met Two (2) time on 14.08.2018 and 29.09.2018.

*The Committee was reconstituted on 29th September, 2018 in which Mr. P.L. Sharma was appointed as Chairman of the Committee. Mr. Rajendra Prasad Sinha ceased to be Chairman of Nomination & Remuneration Committee from 29th September, 2018.

The policy formulated by nomination and remuneration committee:

The terms of reference of the committee inter alia include succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management

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personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual/group and also maintains a balance between both short and long term objectives of the company.

Performance Evaluation Criteria of selection of Independent Directors:

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

(iii) Stakeholders' Relationship Committee:

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

Composition as well as attendance of Stakeholders' Relationship Committee:

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

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

The Committee met once on 14.02.2019 during the year 01.04.2018 to 31.03.2019.

Details of investor complaints received and redressed during the year 2018-19 are as follow:

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

(iv) Corporate Social Responsibility Committee:

In compliance with the section 135 of the Companies Act, 2013 Corporate Social Responsibility (CSR) Committee of the Board has been constituted. The Committee recommend to the Board Budget for CSR activities for the particular financial year, monitor the CSR activities undertaken by the Company. The whole details about the CSR committee and activities undertaken during the financial year 2018-19 has been given in **Annexure –C**.

(v) Share Transfer Committee:

The Company has constituted the Share Transfer Committee to consider the matters relating to Share Transfer, Transmission and other matters of Shareholders.

Composition as well as attendance of Share Transfer Committee:

Share Transfer Committee comprises of the following Directors of the Board.

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

During the year from 01.04.2018 to 31.03.2019 the Share Transfer Committee met Two (2) time on 07.01.2019 and 15.03.2019.

3. Remuneration of Directors during the F.Y. 2018-19: (Rs. In Lakhs)

Sr. No.	Name of Director	Designation	Remuneration
1.	Mr. Vijay Aggarwal	Managing Director	58.20
2.	Mr. Rajiv Aggarwal	Joint Managing Director	30.60

Remuneration to Key Managerial Personal during F.Y. 2018-19 (Rs. In Lakhs)

Sr. No.	Name of Director	Designation	Remuneration
1.	Mr. Shailesh Gandhi	Chief Financial Officer	4.40
2.	Ms. Snehal Chokshi	Company Secretary	2.11

*Details of Remuneration are mentioned in Extract to Annual Return i.e. MGT-9 (Annexure-A).

4. General Body Meetings:

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

AGM No.	Date	Time	Location
45 th AGM	30.09.2016	11.30 a.m.	Village Billanwali, Baddi – 173205, Solan (HP)
46 th AGM	30.12.2017	11.30 a.m.	
47 th AGM	29.09.2018	11.30 a.m.	

Details of Special Resolutions passed in the previous three AGM:

Sr. No.	Particulars
At the 45th AGM	
	No Special Resolution was passed
At the 46th AGM	
1	To fix the Remuneration of Mr. Rajiv Aggarwal, Managing Director of the Company.
At the 47th AGM	
1	Appointment of Mr. Vijay Aggarwal (DIN: 00094141) as Managing Director of the Company.
2	Re- Appointment of Mr. Rajiv Aggarwal (DIN: 00094198) as Joint Managing Director of the Company.

Details of special resolution passed through postal ballot:

No Special resolutions were passed through Postal Ballot in F.Y. 2018-19.

5. General Shareholders Information:

[A]	Annual General Meeting Day and Date Venue	48 th Annual General Meeting Saturday, 28 th September, 2019 Time 11.30 a.m. At Registered office at Village Billanwali, Baddi 173 205, Himachal Pradesh
[B]	Financial Calendar	From 01 st April, 2018 to 31 st March, 2019 1 st Quarterly Result – 14 th August, 2018 2 nd Quarterly Result – 13 th November, 2018 3 rd Quarterly Result – 14 th February, 2019 Audited Results for the year ended on 31 st March, 2019 on 30 th May, 2019
[C]	Dividend payment date which was declared at previous AGM	05 th October, 2018
[D]	Name and Address of Stock Exchange	BSE Limited, Phiroze Jee Jeebhoy Towers, Dalal Street, Mumbai-400 023.
[E]	ISIN Code	INE705G01021

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[F] Monthly high, low prices and number of shares traded from April, 2018 to March, 2019 on the BSE Limited are as follows:

Month	High (Rs.)	Low (Rs.)	No. of Shares traded
April-18	294.15	257.05	32647
May-18	277.00	222.00	25536
June-18	225.95	177.00	37693
July-18	225.00	175.00	18093
August-18	193.95	174.00	26712
September-18	196.75	158.10	17873
October-18	176.50	148.00	8908
November-18	207.70	153.10	19569
December-18	196.40	158.00	9012
January-19	174.95	12500	33011
February-19	132.95	110.35	21730
March-19	173.00	120.55	40296

[G]	Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.	As mentioned Above.
[H]	In case the Securities are suspended from trading, the directors report shall explain the reason thereof:	The Securities are not suspended from trading. So no disclosures are mentioned explaining the reasons thereof.
[I]	Registrar and Transfer Agents:	MCS SHARE TRANSFER AGENT LIMITED 1st Floor, Neelam Appartment, 88 Sampatrao Colony, Above Chapanbhog Sweet, Alkapuri, Vadodara - 390021 Tel No : 0265-2314757 Email Id : mcsLtdbaroda@gmail.com
[J]	Share Transfer System:	The Company's Shares are traded on Bombay Stock Exchange compulsorily in dematerializes mode. Share Transfer requests, which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being in order and complete in all aspects.
[K]	Distribution of Shareholding as on 31st March, 2019 :	As per Annexure A
[L]	Dematerialization of Share and Liquidity:	97.69% of the paid-up capital of the Company is in dematerialized form as on 31 st March, 2019.
[M]	Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity:	NIL
[N]	Commodity price risk or Foreign exchange risk and hedging Risk Commodity Price Risk Foreign Exchange risk and hedging activities	Mentioned below: Risk of Price fluctuation on basic raw materials as well as finished goods used in the process of manufacturing. Any volatility in the currency market can impact the overall profitability.
[O]	Plant Locations:	1. Forging Division, Manpura, Dist. Solan (HP) 2. Gear Division, Village Billanwali, Baddi, Dist. Solan (HP) 3. Plot No. 30, HPSIDC Industrial Area- I, Baddi, Dist. Solan (HP) 4. Plot No. 264-268, MPKVAN, Industrial Area-I, Pithampur, Dist. Dhar (MP) 5. Plot No. 95-100, MPKVAN, Industrial Area-II, Pithampur, Dist. Dhar (MP) 6. 345 A, Padra Jambusar Road, Village Gametha, Tal Padra, Dist. Vadodra (Gujarat)
[P]	Address for Correspondence:	Him Teknoforge Limited(Formerly known as Gujarat Automotive Gears Limited)Regd. Off: Village Billanwali, Baddi, Dist: Solan, Himachal Pradesh 173 205.

6. Other Disclosures:

(a)	Disclosures on materially significant related party transactions i.e. Transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large	As per Annexure-D
(b)	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets during the last three years	The Company has paid the Penalty of Rs. 460000 (excl.Taxes) for Non-Compliance with Regulation 17(1) of SEBI(LODR) Regulation, 2015
(c)	Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee	<ul style="list-style-type: none"> • Whistle Blower Policy: The Company has adopted whistle blower policy. • There was no instance of denying access to audit committee by any personnel.
(d)	Details of compliance with mandatory requirements and adoption of non-mandatory requirements	<ul style="list-style-type: none"> i. The company has complied with all mandatory requirements and the company has not adopted any non-mandatory requirements. ii. The Managing Director has signed declaration stating that members of the Board of Directors and senior management personnel have affirmed compliance with code of conduct of Board of Directors and senior management as required as per para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 iii. The Managing Director and CFO have given appropriate certification as required under regulation 17(8) read with Schedule II part B of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the Board of Directors
(e)	Web link where policy for determining material subsidiaries is disclosed	Not applicable as there is no subsidiary company of the company.
(f)	Web link where policy on dealing with related party transactions	www.gagl.net
(g)	Disclosure of commodity price risks and commodity hedging activities	Risk of price fluctuation on basic raw materials as well as finished goods used in the process of manufacturing.
(h)	Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Not Applicable
(i)	A certificate from a company secretary in practice 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.	Certificate attached with the corporate governance report
(j)	Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.	NIL

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(k)	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	Total fees paid to the statutory auditor during the FY 2018-19: Rs. 6.50 Lakhs Bifurcation of the same is as under: (Rs. In Lakhs) Audit fees: Rs. 5.00 Taxation Matters: Rs. 1.00 Limited Review : Rs. 0.50
(l)	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: Mentioned Below: a. Number of complaints filed during the financial year b. Number of complaints disposed of during the financial year c. Number of complaints pending as on end of the financial year.	NIL NIL NIL

7. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) above, with reasons thereof:

1. Non-Compliance of Regulation 17(1) for the quarter ended 30.09.2018, as the strength of the Independent Directors was less than 50% of the total number of directors including Nominee Director.

Explanation:

The Company had paid Penalty to BSE Limited for the Non-Compliance of Regulation 17 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, within time period and as on date the composition of Board of Directors of the Company is as per the requirement of SEBI Regulations.

2. Non- Compliance with requirement of 100% of shareholding of promoter(s) and promoter(s) group in dematerialized form as per Regulation 31(2) of SEBI (LODR) Regulations, 2015 regarding holding of specified securities and shareholding pattern.

Explanation:

Pursuant to the scheme of Amalgamation, the Shares of the Company were allotted to the shareholders in Physical and d-mat form and the shareholders also include promoter shareholders, which are under process of Dematerialization as on 31st March, 2019.

All the compliances are made by the Company as on date.

8. The company has not adopted any discretionary requirements as specified in Part E of Schedule II.
9. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are made in this corporate governance report which is a part of the annual report.

10. Distribution Schedule as on March 31, 2019:

Range	Shares	Folios	% Shares	% Holders
1-500	341548	2886	4.3421	91.53
501-1000	103268	132	1.3128	4.1812
1001-2000	82384	58	1.0473	1.84
2001-3000	77819	30	0.9893	0.95
3001-4000	44912	13	0.5710	0.41
4001-5000	33164	7	0.4216	0.22
5001-10000	61875	10	0.78661	0.32
10001-50000	100803	3	1.28150	0.095
50001-100000	201468	3	2.56125	0.095
And Above	6818775	11	86.6865	0.35
Total	7866016	3153	100.00	100.00

11. Position of Shares as on 31st March, 2019:

The Percentage of Shares held in NSDL (93.19%), CDSL (4.50%) and in Physical Form (2.31%).

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

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year NIL

Number of shareholders who approached the Company for transfer of shares from suspense account during the year NIL

Number of shareholders to whom shares were transferred from the suspense account during the year	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL

13. Green Initiative

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

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

By Order of Board of Directors

Date: 14.08.2019
Place: Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

CONFIRMATION ON CODE OF CONDUCT

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

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

This is to confirm that the board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all Directors and senior management of the company have affirmed compliance with the Code of Conduct of the Company as at March 31, 2019, as envisaged in Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of Board

Date : 14.08.2019
Place : Baddi

Sd/-
Vijay Aggarwal
Chairman
DIN: 00094141

CEO/CFO Certification

TO WHOM SO EVER IT MAY CONCERN

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

- A. I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2019 and that to the best of my knowledge and belief:
 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee:
 1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

3. Instances of significant fraud of which I become aware and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 14.08.2019
Place: Baddi

Sd/-
Shailesh Gandhi
Chief Financial Officer

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

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

We have reviewed the records concerning the company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, for the financial year ended on 31st March 2019.

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

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

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

1. Non compliance of Regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Company was in Non-Compliance of Regulation 17 (1). The Strength of Independent Directors was less than 50% of the total number of Directors including Nominee Director during the quarter ended on 30/09/2018 for which the Company has received notice from the Bombay Stock Exchange (BSE).

The BSE had issued notice for non-compliance of Regulations 17(1), 18(1), 19(1), 20(2), 21(2) of SEBI (LODR) Regulations, 2015 but after making written communication, the BSE has agreed that the Company has complied all the provisions mentioned in the notice except regulation 17(1) and accordingly penalty was imposed for the said default and the same was paid by the company. The Company has accordingly paid the penalty of Rs. 5,42,800/- for non-compliance of Regulation 17(1).

2. Non compliance with the requirement of 100% of shareholding of promoter(s) and promoter group in dematerialized form as per Regulation 31(2) of SEBI (LODR) Regulations, 2015 regarding Holding of specified securities and shareholding pattern.

Promoters of the Company are holding 54.83% (i.e. 43,13,208 equity shares) of total 7866016 equity shares of the company. Out of total share of promoters, 2.91% (i.e.1,25,586) equity shares are held in physical mode and remaining are in dematerialized mode as on 31st March, 2019.

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

For Dinesh Mehta & Co.
Company Secretaries

Place: Vadodara
Date: 30/06/2019

Sd/-
[Dinesh Mehta]
Proprietor
C. P. NO. 2127

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Him Teknoforge Limited having CIN L29130HP1971PLC000904 and having registered office at Village: Billanwali, Baddi – 173205, District: Solan (HP), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

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

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

**Place: Vadodara
Date: 30/06/2019**

**Sd/-
[Dinesh Mehta]
Proprietor
C. P. NO. 2127**

ANNEXURE - H
Management Discussion and Analysis Report

Economic Overview

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

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

Global Economy

The global economy grew by 3.6% in 2018 after recording growth of 3.8% in 2017. Though the economic activity acceleration gained in 2017 continued in early parts of 2018, several factors weighed down the momentum in the later part of the year.

The landscape of the global automobile sector is undergoing a transformation, mobility or connected, Autonomous, shared Electric vehicles have disrupted business models of automotive companies.

The global automotive industry in 2018 witnessed a slowdown amidst these disruptions. The impact was further amplified with a sharp contraction in the world's largest auto market in China and implementation of WLTP (Worldwide harmonized Light duty vehicle Test Procedure) in Europe.

Industry Structure & Development

India is considered to be the world's 4th largest automobile industry, beating Germany. It is soon on its way to become the 3rd largest by FY 2021, riding on rapid economic development, rising urbanisation, burgeoning middle class, supportive regulations and the Government's strong push for growth.

The Government aims to develop India as a global manufacturing as well as a research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) centres as well as a National Automotive Board to act as facilitator between the government and the industry.

The domestic automotive industry has been adopting new technology and capabilities in order to keep pace with the changing global landscape. The diversified nature of the domestic automotive industry not only provides scale, but also the risk-hedging ability to face market vagaries.

Opportunity and Threats

The industry is supported by factors such as the availability of low-cost skilled labour and low-cost steel production. India's automobile industry has the potential to generate upto USD 300 billion in revenue by FY 2026, generating 65 million additional jobs and contributing over 12% to India's GDP.

The Government's push to develop India as a global manufacturing and R&D hub is also lending heavy support to the automobile sector.

India is fast being recognised as a hub for high-quality managerial talent. Domestic players have been leveraging local talent for driving innovation through R&D centres, driving growth in the medium to long-term. In the next few years, the automobile sector is expected to record robust growth, given the infrastructure push from the Government and schemes like PMGSY.

The opportunities generated by the disruptions are changing the competitive game for players willing to step beyond their traditional roles and engage with customers in a new and digital environment.

Threats

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

Segment wise or products wise performance

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

Gear Business

HTL manufactures a wide range of ring gears and pinions, transmission gears and shafts, differential gears and assemblies.

Business Operations

The company is successfully running its units located in Vadodra- Gujarat, Baddi- Himachal Pradesh, Pithampur - Madhya Pradesh.

While the Company continued on its legacy of operational efficiency, factors such as technological advancements and product innovation continued to be its key drivers of differentiation. Enhanced productivity through retrofitting and refurbishing of machines and optimising efficiencies at various levels helped the Company to achieve an improved performance and gain a competitive edge.

Resource Upgradation

The Company has undertaken retrofitting and reconditioning of old conventional machines. This has significantly improved efficiency and considerably enhanced throughput. Besides, investments have been made to replace certain machines with latest version machines to increase productivity and reduce downtime.

Technology Upgradation

The Vadodara plant has carried out multiple measures to upgrade its technological base. In FY 2019, plant has commissioned new machines in key areas like gear cutting and heat treatment. These latest generation machines have helped to improve efficiency as well as quality of output.

Outlook

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

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

The market response to the profile of Him Teknoforge continues to be very positive. The management is confident that, with the improvement in economic environment and further developments within the organization, it will be able to benefit from the investments. These developments can be summarized for the Company in many opportunities for continued expansion and positive development of the business in the next few years.

Risks & Concerns

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

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

Internal Control Systems and their adequacy

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

Discussion on financial performance with respect to operational performance

Your Company has achieved turnover of Rs. 32379.30 Lakhs for the financial year 2018-19 as against turnover of Rs. 27375.43 Lakshs in the previous financial year 2017-18. Further, the Company earned a profit of Rs. 1830.08 Lakhs (inlcuding profit of Rs.783.89 laks from sale of land & building at Kalali, Vadodra) in the 2018-19 as compared to Rs. 1051.77 Lakhs in 2017-18.

Material Developments in Human resources/Industrial relations front, including number of people employed

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

Details of significant changes in financial ratio:

Details of significant changes as compared to the immediately previous financial year in key financial ratios, along with detailed explanations therefor, including:

Particulars	F.Y. 2018-19	F.Y. 2017-18
(i) Debtors Turnover	9.51	7.06
(ii) Inventory Turnover	9.66	8.80
(iii) Interest Coverage Ratio	2.76	2.26
(iv) Current Ratio	1.15	1.06
(v) Debt Equity Ratio	0.26	0.22
(vi) Operating Profit Margin (%)	23.97	25.65
(vii) Net Profit Margin (%)	5.36	3.93

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

Particulars	F.Y. 2018-19	F.Y. 2017-18
Return on Net Worth	12.98	8.90

During the year the net worth has improved owing to better profits earned in FY 2018-19.

Disclosure of Accounting Treatment:

The financial statements for the year ended 31st March, 2019 have been prepared as prescribed in accounting standards and accounting policies and have been followed consistently. There is no change in treatment of the said accounting standards & accounting policies, therefore, no explanation by the management is required for the same.

INDEPENDENT AUDITORS' REPORT

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

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **HIM TEKNOFORGE LIMITED(Formerly known as Gujarat Automotive Gears Limited)**("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit and total comprehensive income, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibility 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made 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 audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition:

The Company has recognised revenue from contracts with the customers amounting to Rs.323.79 crores. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that as principal, it controls the goods or services before transferring them to the customer. The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period. Revenue is measured net of returns and allowances, cash discounts, trade discounts and volume rebates. There is risk that these discounts and rebates are incorrectly recorded as it requires a certain degree of estimation, resulting in understatement of the associated expenses and accruals. The Company focuses on revenue as a Key Performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with the revenue recognition in accordance with the terms of Ind As 115 'Revenue from contracts', it was determined to be a key audit matter in our audit of the Ind AS Financial statements.

Our audit procedures include the following:

Assessed the Company's revenue recognition policy prepared as per the Ind As 115 'Revenue from contracts with customers'

Assessed the design and tested the effectiveness of internal controls which are operating with respect to revenue recognition, discounts and rebates.

Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of sample checked that the revenue has been recognized as per the shipping terms.

To test cut off selected sample of sales transaction made pre and post year end, agreeing the period of revenue recognition to third party support, such as transporter Invoice and customer confirmation of receipt of goods.

Obtained confirmation from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements, to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is 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 Ind AS Financial Statements

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

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

In preparing the 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.

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

Auditors' Responsibilities for the audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 financial 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 system 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 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 auditor's 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
 - e) On the basis of the written representations received from the directors, as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal financial controls over financial reporting.
 - g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with schedule-V to the Act.
 - h) 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No.38 to the standalone financial statements;
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivatives contracts;
 - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For PRA Associates
Chartered Accountants
FRN: 2355N

Sd/-
Deepak Gupta
Partner

Membership No. 89597

Place: Chandigarh
Date: May 30, 2019

‘ANNEXURE A’ TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 of ‘Report on other Legal and Regulatory Requirements’ in our Report of even date on the accounts of **HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited)** for the year ended March 31, 2019.

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management in accordance with a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore clauses 3(iii) and sub clause (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made and guarantees provided for loans taken by others and section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the company under sub section (1) of section 148 of the Companies Act, 2013 and such accounts have been made and maintained by the company. However, no detailed examinations of such records and accounts have been carried out by us.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Customs Duty, Cess, Goods and Services Tax and other statutory dues applicable to it with the appropriate authorities. According to information and explanation given to us, no undisputed amount were in arrears as on March 31, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of Service Tax, Cess and Customs Duty which have not been deposited on account of any dispute. The disputed amounts that have not been deposited in respect of Value Added Tax, Income Tax, Sales Tax, Excise Duty are as under:

Sr. No.	Name of the Statute	Nature of Dispute	Amount (Rs. in Lacs)	Period to which dispute relates	Forum where dispute is pending
1	M. P. VAT Act, 2002 and Central Sales Tax Act, 1956	Sales tax demand	152.80	29.03.2004 to 31.03.2007	Honorable Supreme Court of India.
2	Central Excise Act, 1944	Excise Duty demand	0.76	2010-11	CESTAT
3	Central Excise Act, 1944	Excise Duty demand	20.85	July 2006 to March 2016	Commissioner (Appeals)

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year. The Company has not taken any loan or borrowing from government and has not issued debentures during the year.
- ix. The Company has not raised any money by way of public issue/ further offer (including debt instruments). Further money raised by term loans has been applied for the purpose for which it was raised.
- x. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.

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

- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the Company does not attract any special statute applicable to a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the Indian Accounting Standards (Ind AS 24 "Related Party Disclosures") specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For PRA Associates
Chartered Accountants
FRN: 2355N

Sd/-
Deepak Gupta
Partner

Membership No. 89597

Place: Chandigarh
Date: May 30, 2019

'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **HIM TEKNOFORGE LIMITED (Formerly known as Gujarat Automotive Gears Limited)** ("the Company") as of March 31, 2019 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

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PRA Associates
Chartered Accountants
FRN: 2355N

Sd/-
Deepak Gupta
Partner

Membership No. 89597

Place: Chandigarh
Date: May 30, 2019

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

BALANCE SHEET AS AT 31ST MARCH, 2019

CIN : L29130HP1971PLC000904

Particulars	Note No.	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	12,863.26	11,248.06
(b) Capital work-in-progress	4	757.25	944.00
(c) Other Intangible Assets	5	1,316.84	1,593.37
(d) Financial Assets			
(i) Investments	6	0.53	1.01
(ii) Other Financials Assets	7	358.56	267.82
(e) Deferred Tax Assets (Net)	8	184.81	569.99
(f) Other non-current assets	9	349.92	283.34
Total Non- Current Assets		15,831.17	14,907.59
(2) Current assets			
(a) Inventories	10	12,230.48	11,674.40
(b) Financial assets			
(i) Trade Receivables	11	3,340.74	3,797.00
(ii) Cash and Cash Equivalents	12	18.45	88.67
(iii) Bank Balances other than above	13	363.49	475.08
(iv) Other Financial Assets	14	78.97	81.42
(c) Other Current Assets	15	855.29	723.61
Total Current Assets		16,887.42	16,840.18
TOTAL ASSETS		32,718.59	31,747.77
EQUITY & LIABILITIES			
(1) Equity			
(a) Equity Share Capital	16	157.32	157.32
(b) Other Equity	17	14,517.33	13,301.88
Total		14,674.65	13,459.20
LIABILITIES			
(2) Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	18	3,118.92	2,330.49
(b) Provisions	19	351.07	216.79
(c) Other Non-current Liabilities	20	14.32	15.10
Total Non- Current Liabilities		3,484.31	2,562.38
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	8,027.12	8,107.04
(ii) Trade Payables	22	4,092.97	5,473.44
(iii) Other Financial Liabilities	23	1,403.49	1,081.85
(b) Other Current Liabilities	24	870.72	957.16
(c) Provisions	25	143.90	106.70
(d) Current Tax Liabilities (Net)	26	21.43	-
Total Current Liabilities		14,559.63	15,726.19
TOTAL EQUITY & LIABILITIES		32,718.59	31,747.77

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For PRA ASSOCIATES
Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta
Partner
Membership No. 89597

Place: Chandigarh
Date: 30th May, 2019

Sd/-
Shailesh Gandhi
Chief Financial Officer

Sd/-
Snehal Chokshi
Company Secretary

On behalf of the Board

Sd/-
Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-
Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198

Date: 30th May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

CIN : L29130HP1971PLC000904

Particulars	Note No.	For the year ending 31 March, 2019 Rs. Lacs	For the year ending 31 March, 2018 Rs. Lacs
Income			
Revenue from Operations	27	32,379.30	27,375.43
Other Income	28	415.76	345.21
Total Income		32,795.06	27,720.64
Expenses			
Cost of Materials Consumed	29	18,367.54	14,257.25
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	30	(834.61)	84.05
Excise Duty on Sales	31	-	497.79
Employee Benefits Expenses	32	3,863.56	3,303.39
Finance Cost	33	1,611.02	1,450.88
Depreciation and Amortisation Expenses	34	835.48	735.16
Other Expenses	35	7,642.35	6,299.35
Total Expenses		31,485.35	26,627.87
Profit Before Tax & Exceptional Items		1,309.71	1,092.77
Exceptional Items	36	783.89	-
Profit Before Tax		2,093.60	1,092.77
Less: Tax Expense			
Current Tax	8	356.75	234.87
Deferred Tax	8	(93.23)	(193.87)
Profit After Tax	A	1,830.08	1,051.77
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements - On post employment benefit plan - gratuity		(62.58)	4.21
(ii) Income tax relating to items that will not be reclassified to profit or loss		(33.10)	(4.55)
(i) Items that will be reclassified to profit or loss		(0.47)	4.26
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year	B	(96.15)	3.92
Total Comprehensive Income for the year	(A+B)	1,733.93	1,055.69
Earnings per equity share: [Face Value per share: Rs. 2]			
- Basic		23.27	13.37
- Diluted		23.27	13.37

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements

As per our report of even date

For PRA ASSOCIATES
Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta
Partner
Membership No. 89597

Place: Chandigarh
Date: 30th May, 2019

Sd/-
Shailesh Gandhi
Chief Financial Officer

Sd/-
Snehal Chokshi
Company Secretary

On behalf of the Board

Sd/-
Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-
Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198

Date: 30th May, 2019

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

CIN : L29130HP1971PLC000904

(Rs. In Lacs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	2,093.60	1,092.77
Adjustment for:		
Depreciation /Amortisation	835.48	735.16
Interest Income	(29.70)	(14.42)
Profit on Sale of Assets/Discarded Assets (Net)	(6.55)	(1.81)
Excess Provision written back (Net)	-	(11.45)
Exchange Rate Fluctuation (Net)	-	-
	<u>799.23</u>	<u>707.47</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,892.83	1,800.24
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
(Increase)/Decrease Other non - current assets	(66.57)	288.67
(Increase)/Decrease in Inventories	(556.08)	(736.04)
(Increase)/Decrease in Trade Receivable	456.26	97.98
(Increase)/Decrease Other Bank Balances	111.59	17.12
(Increase)/Decrease Other Non Current financial assets	(90.74)	9.34
(Increase)/Decrease Other financial assets	2.45	(385.55)
(Increase)/Decrease Other current assets	(131.68)	119.23
Increase/(Decrease) Other non current liabilities	(99.04)	5.09
Increase/(Decrease) Trade payables	(1,380.46)	589.44
Increase/(Decrease) Other current financial liabilities	6.06	73.08
Increase/(Decrease) Other current liabilities	(65.02)	109.60
Increase/(Decrease) Provisions	171.48	80.54
	<u>(1,641.76)</u>	<u>268.50</u>
Cash Generated from Operations	1,251.07	2,068.74
Direct Taxes paid	356.75	282.52
NET CASH FROM OPERATING ACTIVITIES	894.32	1,786.22
B) CASH FLOW FROM INVESTING ACTIVITIES		
Loan Received	2,643.09	668.71
Purchase of Fixed Assets including Capital Work in Progress	(2,113.05)	(1,589.82)
Sale of Fixed Assets	132.21	50.09
Sale of Non Current Investments	0.47	0.20
Interest Received	29.70	14.42
	<u>692.40</u>	<u>(856.42)</u>
NET CASH USED IN INVESTING ACTIVITY	692.40	(856.42)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Term Loans	(1,539.09)	(1,135.61)
Net (Decrease)/ Increase in Short Term Borrowings	(79.92)	200.86
Dividend Paid (Inclusive of Dividend Distribution Tax)	(37.93)	-
	<u>(1,656.94)</u>	<u>(934.75)</u>
NET CASH USED IN FINANCING ACTIVITY	(1,656.94)	(934.75)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(70.22)	(4.94)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	88.67	93.61
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	18.45	88.67
	<u>(70.22)</u>	<u>(4.94)</u>
Notes		
1 Closing Balance of Cash & Cash Equivalents		
Cash and Cash Equivalents Includes: (Refer Note No 12)		
CASH IN HAND	1.95	2.52
<u>BALANCE WITH SCHEDULED BANKS</u>		
- In Current Account	16.50	86.15
	<u>18.45</u>	<u>88.67</u>
2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.		

As per our report of even date

For PRA ASSOCIATES
Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta
Partner
Membership No. 89597

Place: Chandigarh
Date: 30th May, 2019

Sd/-
Shailesh Gandhi
Chief Financial Officer

Sd/-
Snehal Chokshi
Company Secretary

On behalf of the Board

Sd/-
Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-
Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198

Date: 30th May, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

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

A. Equity

Particulars	No. of Shares	Amount (Rs. Lacs)
Balance at at 1st April, 2017 (After Merger)	78,66,016	157.32
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2018	78,66,016	157.32
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2019	78,66,016	157.32

B. Other Equity

Particulars	Reserves and Surplus							Other items of Other comprehensive income	Total Other Equity
	Capital Reserve	Securities Premium	Other Reserves (Capital Investment Subsidy)	General Reserve	Retained Earning	Reserve Created on Amalga- mation	Cash Flow from Hedging Reserve	Remeasurement of net defined benefit plans	
Balance as at March 31, 2018	27.22	3,023.29	75.00	720.32	7,989.23	1,467.53	0.31	(1.03)	13,301.88
Profit for the year	-	-	-	-	1,830.08	-	-	-	1,830.08
Remeasurements of Defined Benefit Plan	-	-	-	-	-	-	-	(96.15)	(96.15)
Dividend & Dividend Distribution tax paid	-	-	-	-	(37.93)	-	-	-	(37.93)
Deferred Tax Liability pertaining to prior period	-	-	-	-	(480.23)	-	-	-	(480.23)
Cash Flow from hedging Reserve	-	-	-	-	-	-	(0.31)	-	(0.31)
Balance as at March 31, 2019	27.22	3,023.29	75.00	720.32	9,301.15	1,467.53	-	(97.18)	14,517.33

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For PRA ASSOCIATES
Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta
Partner
Membership No. 89597

Place: Chandigarh
Date: 30th May, 2019

Sd/-
Shailesh Gandhi
Chief Financial Officer

Sd/-
Snehal Chokshi
Company Secretary

On behalf of the Board
Sd/-

Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-
Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198

Date: 30th May, 2019

1 Company Overview

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

2 Significant Accounting Policies

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

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

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

The financial statements were authorized for issue by the Company's Board of Directors on 30th May, 2019.

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

ii) Historical cost convention

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

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

iii) Current and Non Current Classification.

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

(B) Use of estimates and judgements

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

(C) Financial Instruments

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

(I) Financial Assets

(i) Classification

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

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

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

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

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

(ii) Measurement

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

(a) Debt instruments

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

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

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

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

(b) Equity instruments

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

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

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For Trade receivables company provides when there is a significant uncertainty arise for recovery.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

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

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

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

(II) Financial Liabilities

(i) Measurement

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

(ii) Derecognition

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

(D) Financial guarantee contracts

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

(E) Segment Report

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

(F) Inventories Valuation

- (i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at FIFO and Cost of semi-finished good and finished good comprises, raw materials, direct labour, other direct costs and related production overheads.
- (iii) Scrap is valued at net realisable value.

(G) Cash and cash equivalents

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

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

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

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

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

(i) Current income tax

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

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

(ii) Deferred tax

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

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

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

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

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

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

(iii) Dividend distribution tax

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

(l) Property, plant and equipment

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

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditure, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

- (v) Depreciation methods, estimated useful lives and residual value
 - (a) Fixed assets are stated at cost less accumulated depreciation.
 - (b) Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. In respect of Plant and Machinery the management has estimated the useful life as forty years for the Plant & Machinery installed at its Forging Units and thirty years for the Plant & Machinery installed at its Machining Units and for Electrical installation the useful life is taken as twenty five years based on internal assessment and independent technical evaluation carried out by the Chartered Engineer. Management believes that the useful lives considered as mentioned herein, best represent the period over which it expects to use these assets.

The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
 - (c) Leasehold Land is depreciated over the period of the Lease.
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(J) Intangible assets

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

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

(K) Leases

(i) As a lessee

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

(ii) As a lessor

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

(L) Revenue Recognition

(I) Ind As 115 "Revenue from contracts with customers" provides a control -based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

1. Identify the contract(s) with a customer;
2. Identify the performance obligations;
3. Determine the transaction price;

4. Allocate the transaction price to the performance obligations;
5. Recognise revenue when an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

a) Sale of Goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before the payment is due.

b) Contract Balances

Trade receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due from the customer. If the company transfers goods or services to the customer, a contract liability is recognised when payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company delivers goods.

c) Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediate expense sales commission (included in sales promotion expense under other expenses) because the amortisation period of the asset that the Company otherwise would have used is one year or less.

(II) Sales of Services

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

(III) Other Income

(i) Interest Income

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

(ii) Dividends

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

(iii) Export Benefits

In case of sale made by the Company as manufacturer, export benefits arising from Duty Drawback scheme, Rebate of state levies (LOSL), and Rebate of State and Central Taxes and Levies (ROSCCTL), are recognised on sale of such goods in accordance with the agreed terms and conditions with customers.

Revenue from exports benefits measured at the fair value of consideration received or receivable net of returns and allowances, cash discount, trade discount and volume rebates.

(M) Employee Benefit

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit plan:

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

(b) Defined Contribution plan:

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

(N) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

(O) Borrowing Cost

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

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

(P) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

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

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

(Q) Impairment of Assets

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

(R) Provisions, contingent liabilities and contingent assets

(i) Provisions:

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

(ii) Contingent liabilities:

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

(iii) Contingent Assets:

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(S) Investments

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

(T) Trade receivables

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

(U) Trade and other payables

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

(V) Operating Cycle

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

(W) Foreign Exchange Risk Management Policy

Foreign exchange risk refers to the losses that an international financial transaction may incur due to currency fluctuations. Exchange rate volatility is unpredictable since there are many factors that affect the movement of the exchange rates i.e. economic fundamentals, monetary policy, fiscal policy, global economy, speculation, domestic and foreign political issues, market psychology, being some of them. The exchange rate volatility poses a risk, called foreign exchange risk or currency risk, to business sector, in particular, the importers and exporters or those ones who associate with international businesses. Although businesses cannot control the fluctuation of the exchange rates but they can manage the risk by using proper hedging tools e.g. Forward, Futures, and Options, in order to manage their revenues and costs, assets and liabilities, more efficiently.

The company exports Automotive Components to known customers in the overseas market and take forward booking keeping in view the forward markets. In certain position exports are kept in open position, however, the position is reviewed at regular intervals and decision with regard to the hedge is taken based on situation and factors prevalent at the time. For long term commitments, e.g., forex commitments in the nature of term loans, the company has a policy to completely hedge the total exposure.

(X) Changes in Accounting Policies and Disclosures

Ind AS 115 issued on 28 March 2018 superseding Ind AS 11 Construction Contracts and Ind AS 18 Revenue Recognition and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for incremental costs of obtaining a contract and costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures. The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Company.

(Y) Rounding of amounts

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
(All amount are in Rs. Lacs, unless otherwise Stated)

Note No. 3
PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT
	As at 01.04.2018	Purchase during the Year	Deduction during the year	As at 31.03.2019	Upto 01.04.2018	Dep. For the Year	Deduction during the year	As at 31.03.2019	As at 31.03.2019
Property, Plant and Equipment									
Land - Freehold	264.30	246.69	0.52	510.47	-	-	-	-	510.47
Land - Leasehold	124.68	-	-	124.68	83.33	3.91	-	87.24	37.44
Building - Factory	1,749.43	433.02	56.06	2,126.39	486.50	64.59	21.47	529.62	1,596.77
Plant & Machinery	12,990.15	1,509.55	203.72	14,295.98	3,555.33	425.68	113.69	3,867.32	10,428.66
Furnitue & Fixture	75.65	23.98	-	99.63	45.94	6.97	-	52.91	46.72
Office Equipment	73.89	7.60	-	81.49	62.78	3.67	-	66.45	15.04
Computers	105.00	10.40	0.32	115.08	73.95	9.09	0.18	82.86	32.22
Vehicles	496.54	64.40	1.85	559.09	323.75	41.07	1.67	363.15	195.94
Total	15,879.64	2,295.64	262.47	17,912.81	4,631.58	554.98	137.01	5,049.55	12,863.26
Previous Year	14,128.91	1,910.81	160.08	15,879.64	4,244.58	498.80	111.80	4,631.58	11,248.08

4 CAPITAL WORK-IN-PROGRESS

PARTICULARS	AS AT 01.04.2018	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019
Capital Work- in- Progress	944.00	968.63	1,155.38	757.25
Previous Year	1,465.72	902.02	1,423.74	944.00

5 OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT
	As at 01.04.2018	Purchase during the Year	Deduction during the year	As at 31.03.2019	Upto 01.04.2018	Dep. For the Year	Deduction during the year	As at 31.03.2019	As at 31.03.2019
Other Intangible Assets									
Product Design & Development	2,520.25	-	-	2,520.25	939.75	274.94	-	1,214.69	1,305.56
Computer Software	29.40	4.17	0.50	33.07	16.53	5.56	0.30	21.79	11.28
Total	2,549.65	4.17	0.50	2,553.32	956.28	280.50	0.30	1,236.47	1,316.84
Previous Year	2,348.91	200.74	-	2,549.65	719.92	236.36	-	956.28	1,593.37

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
6	FINANCIAL ASSET -NON-CURRENT		
	Investments		
	Qty.		
	Non Trade Investments		
	Quoted		
	Equity Instruments (At FVOCI)		
	Nagarjuna Fertilisers & Chemicals Ltd. - Face Value Rs. 10 each	5,500	0.37
	In Other Securities (At FVTPL)		
	SBI Infrastructure Bond - Face Value Rs. 10 each	1,000	0.16
	Total	0.53	1.01
7	OTHER FINANCIAL ASSETS		
	Security deposits	358.56	267.82
	Total	358.56	267.82
8	DEFERRED TAX ASSETS (NET)		
	Deferred Tax Assets		
	MAT Credit Entitlement	1,142.71	1,013.71
	Employee benefits	146.03	69.61
	Business Losses as per Income Tax Act	-	476.30
	Allowance for Doubtful Assets	1.44	1.44
	Less : Deferred Tax Liabilities		
	On account of difference in depreciation as per books and Income Tax Act	(1,105.37)	(991.07)
	Total	184.81	569.99
9	OTHER NON-CURRENT ASSETS		
	Balance with Government Authorities	15.09	15.09
	Capital Advances	334.83	268.25
	Total	349.92	283.34
10	INVENTORIES		
	Raw Material & Components	869.62	1,270.23
	Work-in-progress	6,725.11	6,307.98
	Finished goods (Refer Note No. 10.1)	1,087.70	642.45
	Stores & Packing Materials	3,515.86	3,421.31
	Scrap	32.20	32.43
	Total	12,230.48	11,674.40
	Note No 10.1: Finished Goods Inventory includes Goods in transit of Rs. 234.25 lacs (31 March 2018 Rs.138.26 lacs)		

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
11	FINANCIAL ASSET -CURRENT		
	Trade receivables		
	Unsecured -Outstanding for a period exceeding six months		
	Considered good (Refer Note No. 44 and 11.1)	169.21	159.33
	Considered doubtful	4.79	4.79
	Less: Allowance for Expected Credit Loss	(4.79)	(4.79)
	Sub-total (A)	169.21	159.33
	Others		
	Secured, considered Good	-	-
	Unsecured, considered good	3,171.54	3,637.68
	Unsecured, considered doubtful	-	-
	Allowances for doubtful debts	-	-
	Sub-total (B)	3,171.54	3,637.68
	Total (A) + (B)	3,340.74	3,797.00
	Movement in the allowance of expected credit loss		
	Balance at the beginning of the year	4.79	4.79
	Less: Amounts written off during the year (net)	-	-
	Balance at end of the year	4.79	4.79
	The average credit period ranges from 30 to 180 days for Sales. No interest is charged.		
	Note No. 11.1: Debts due by Related Parties -		
	Firms/Companies in which directors are interested	551.95	357.15
12	CASH AND CASH EQUIVALENTS		
	Balances with Banks in Current Accounts	16.50	86.15
	Cash in Hand	1.95	2.52
	Total	18.45	88.67
13	BANK BALANCES		
	Balances with Banks in Fixed Deposits (maturity less than 12 months) (Refer Note No. 13(i) - 13(iv))	296.85	433.48
	Balances with Banks in Fixed Deposits (maturity more than 12 months) (Refer Note No. 13(i) - 13(iv))	52.15	15.94
	Unclaimed Dividend Accounts (Refer Note No. 13(v))	14.49	25.66
	Total	363.49	475.08

- Note**
- 13(i) : The Fixed Deposit of Rs. 240.78 lacs (31 March 2018 Rs. 314.90 lacs) are pledged with the State Bank of India being margin money against Letter of Credit & Bank Guarantees issued.
- 13(ii): The Fixed Deposit of Rs. 105.00 lacs (31 March 2018 Rs. 105 lacs) are pledged with the State Bank of India for securing working capital facilities.
- 13(iii): Fixed Deposits of Rs. 0.40 lacs (31 March 2018 Rs. 0.54 lacs) are pledged with the Sales Tax Authorities'.
- 13(iv): The above fixed deposits of Rs. 2.82 lacs (31 March 2018 Rs. 28.97 lacs) are pledged with Siemens Financial Services Pvt. Ltd., against partial disbursement of Loan for Machinery.
- 13(v): The balances can be utilised only towards settlement of the unpaid dividend.

HIM TEKNOFORGE LIMITED
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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
14	OTHER FINANCIAL ASSETS		
	Others	-	21.97
	Employee Advances	40.87	25.67
	Fair Value of Forward Contracts	-	0.31
	Interest Receivable	38.10	33.47
	Total	78.97	81.42
15	OTHER CURRENT ASSETS		
	Prepaid Expenses /Advances to Suppliers	224.81	111.92
	Advance Recoverable in Cash or Kind or for Value to be Received	630.48	611.69
	Total	855.29	723.61
16	EQUITY SHARE CAPITAL		
	(a) Authorised Share Capital	No. of shares	
	Equity shares of Rs. 2/- each (31 March 2018: Rs. 2/- each)	15,21,25,000	3,042.50
	9.5% Cumulative Preference shares of Rs.100/- each (31 March 2018: Rs. 100/- each)	7,500	7.50
	Unclassified Shares of Rs. 10/- each	5,00,000	50.00
	Total		3,100.00
	(b) Issued, Subscribed and Paid Up Capital		
	Equity shares of Rs.2/- each (31 March 2018: Rs. 2/- each)	78,66,016	157.32
	Total		157.32
	(c) Paid up		
	Equity shares of Rs.2/- (31 March, 2018 Rs.2/-) each with voting rights	78,66,016	157.32
	Total		157.32
	Note No. 16.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31 March, 2019:		
	Balance as at 31st March, 2018	78,66,016	157.32
	Changes in equity share capital during the year	-	-
	Balance as at 31st March, 2019	78,66,016	157.32

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
(All amount are in Rs. Lacs, unless otherwise Stated)

Note No. 16.2 Details of Shareholders holding more than 5% shares in the Company				
Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	%	No. of Shares held	%
Canbank Venture Capital Fund Ltd. - Trustee of Canbank Venture Capital Fund (Emerging India Growth Fund CVCF-V)	17,75,148	22.57%	17,75,148	22.57%
Sh. Rajiv Aggarwal	9,90,306	12.59%	9,90,306	12.59%
India Automotive Component Manufacturers Private Equity Fund (IACM-1-D)	9,62,524	12.24%	9,83,077	12.50%
Sh. Vijay Aggarwal	7,46,633	9.49%	7,46,633	9.49%
Globe Precision Industries Pvt. Ltd.	5,96,577	7.58%	5,96,577	7.58%
Sh. Vinod Aggarwal	5,53,599	7.04%	5,53,599	7.04%
Smt. Asha Aggarwal	4,93,309	6.27%	4,72,967	6.01%

Note :

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

ii) 1442306 equity shares of the Company held by the Promoters are pledged with India Automotive Component Manufacturers Private Equity Fund (IACM-1-D)

Note No.	Particulars	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
17	OTHER EQUITY		
	Reserves & Surplus*		
	Capital Reserve (including reserve created on merger)#	1,494.75	1,494.75
	Security Premium Reserve##	3,023.29	3,023.29
	Capital Investment Subsidy###	75.00	75.00
	General reserve####	720.32	720.32
	Other Comprehensive Income (OCI)		
	-Remeasurement of net defined benefit plans	(97.19)	(1.04)
	Cash flow from Hedging Reserves#####	-	0.31
	Retained earning#####	9,339.08	7,989.25
	Less: Dividend & dividend distribution tax for FY 2017-18	(37.93)	-
	Total	14,517.33	13,301.88

* For movement, refer statement of change in equity.

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

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

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

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

Hedging Reserve: Created on transaction relating to cash flow hedge.

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

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
18	BORROWINGS		
	Secured Term Loans :		
	From Banks (refer note on. 18(i), 18(ii), 18(iii), 18(v), 18(vi) , 18(viii) & 18(ix))	1,266.07	1,970.87
	From Non-Banking Financial Institutions (Refer Note No.18(iii), 18(iv), 18(vii), 18(viii) & 18(x))	1,852.85	359.62
	Total	3,118.92	2,330.49
	<p>Note 18(i) :Term loans from State Bank of India Rs. 1504.95 lacs (previous year Rs.1770.54 lacs) are secured by first pari-passu charge on entire fixed assets of the Company (present & future) excluding i) specific charge on Plant & Machinery against loan from Siemens Financial Servies Pvt. Ltd. ,Dewan Housing Finance Ltd., Electronica Finance Ltd. , ii) value of 10 Flats mortgaged with SIDBI, Land & Building, Plant & Machinery of Gametha Unit specifically charged to SIDBI and second pari-passu charge by Hypothecation of Stocks & receivables and other Current Assets of the company and further secured by equitable mortgage of H.No. 73, Sector 28A, Chandigarh in the name of Sh. Vinod Aggarwal, pledge of 615384 equity shares of the Company held by Promoters, lien of STDR of Rs. 105 lacs, equitable mortgage of land measuring 5 bighas & 2 biswas at Village Billanwali, Baddi in the name of Metalchem India Pvt. Ltd. and personal gaurantees of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors, Sh. Vinod Aggarwal, Smt. Anju Aggarwal and Corporate Guarantee of Metalchem India Pvt. Ltd.</p> <p>Note 18(ii) : Corporate Loan from State Bank of India Rs. Nil (previous year Rs. 50.00 lacs) is secured by first exclusive charge on fixed assets of the company , except specific charge on Plant & Machinery purchased against loan from Siemens Financial Services Pvt. Ltd., first charge on company's entire stocks of raw material, stock in process, finished goods, consumable stores and spares, tool & dies, book debts and all other current assets present and future.</p> <p>Note 18(iii) : Vehicle Loans from State Bank of India, HDFC Bank and Leasing & Finance Companies are secured against hypothecation of vehicles.</p> <p>Note 18(iv) : Loans from Siemens Financial Services Ltd. , Dewan Housing Finance Ltd., and Electronica Finance Ltd. are secured by first charge on specific Plant & Machinery purchased against these loans.</p> <p>Note 18(v) : Loan from SIDBI for Rs. Nil (previous year Rs. 1000.00 lacs) is secured against first charge by way of mortgage of Factory Land and Building at village Kalali, Baroda and covered by personal guarantee of Sh. Rajiv Aggarwal, Director.</p> <p>Note 18(vi) : Loan from SIDBI for Rs.546.45 lacs (previous year Rs. 467.47 lacs) is secured against first charge by way of hypothecation of assets acquired under the loan and first charge by way of mortgage of all immovable properties both present and future situated at Village Gametha, Baroda including factory shed, buildings and structures thereon and covered by personal guarantee of Sh. Rajiv Aggarwal, Director.</p> <p>Note 18(vii) : Working Capital Term Loan Tata Capital Financial Services Ltd. Rs. 1485.00 lacs (previous year Nil) is secured by first pari-passu charge with State Bank of India on entire fixed assets of the Company both present and future (other than specifically/ exclusively charged to other lenders) and second pari-passu charge on entire current assets with State Bank of India both present and future and personal gaurantee of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors, Sh. Vinod Aggarwal & Smt. Anju Aggarwal.</p> <p>Note 18 (viii) : Maturity profile of Secured Term Loans is set out as below: 1-2 Years - Rs. 960.97 Lacs 2-3 Years - Rs. 880.38 Lacs 3-4 Years - Rs. 791.14 Lacs Above 4 Years - Rs. 486.43 Lacs</p> <p>Note 18(ix) : Interest rates on secured loans taken from Banks varies from 9.80% to 12.50% p.a. Note 18 (x): Interest on secured Loans taken from Leasing & Finance Companies varies from 8.50% to 12.50% p.a.</p>		
19	PROVISIONS - NON CURRENT		
	Provisions for Employee Benefits (funded)		
	Gratuity (Refer Note No. 40)	291.93	171.37
	Leave Encashment (Refer Note No. 40)	59.14	45.42
		351.07	216.79
20	OTHER NON-CURRENT LIABILITIES		
	Security From Employees	8.52	8.15
	Security From Dealers	5.80	6.95
		14.32	15.10

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	As at 31 March, 2019 Rs. Lacs	As at 31 March, 2018 Rs. Lacs
21	BORROWINGS		
	Secured (Refer Note No. 21(i) to 21(ii))		
	From Banks		
	Export Packing Credit	376.41	433.58
	Cash Credit	7,650.71	7,673.46
		8,027.12	8,107.04
	<p>Note 21(i) :Working Capital Borrowings - Cash Credit and EPC are secured by first charge by means of Hypothecation of Stocks & Receivables and other current assets in the name of Company, residual charge on the fixed assets of the company excluding specific charge on plant & machinery in favour of Siemens Financial Services Ltd., Dewan Housing Finance Ltd., Electronica Finance Ltd., 10 Flats mortgaged with SIDBI and Land & Building, Plant & Machinery and Misc. Fixed Assets of the Company's plant located at Gametha, Vadodra specifically charged to SIDBI and further secured by way of pledge of 615384 Equity Shares of the company held by promoters, by the personal guarantee of Sh. Vijay Aggarwal & Sh. Rajiv Aggarwal, Directors and personal guarantee of Sh. Vinod Aggarwal & Smt. Anju Aggarwal and Corporate Guarantee of Metalchem India Pvt. Ltd., Lien on STDR of Rs. 105 lacs, equitable mortgage of House no. 73, Sector 28A, Chandigarh owned by Mr. Vinod Aggarwal.</p> <p>Note 21(ii) : Working Capital Borrowings are repayable on demand and carries interest @ 8.55 % to 11.50% p.a.</p>		
22	TRADE PAYABLES		
	a) Total outstanding dues of micro enterprises and small enterprises		
	Dues of micro and small enterprises (Refer Note No. 22(i))	39.63	80.49
	Dues of other than micro enterprises and small enterprises	4,053.34	5,392.95
		4,092.97	5,473.44
	<p>Note 22 (i): The disclosure relating to amount unpaid at the year end to the Vendors covered under Micro, Small & Medium Enterprises Development Act, 2006 is on the basis of information received from the Vendors.</p>		
23	OTHER FINANCIAL LIABILITIES		
	Current Maturities of Long Term Debts (Refer Note No. 18(viii))	1,362.79	1,047.22
	Unclaimed Dividend	14.49	25.66
	Interst Accrued but not Due	26.21	8.97
		1,403.49	1,081.85
24	OTHER CURRENT LIABILITIES		
	Statutory dues payable	215.69	335.18
	Salary Payables	298.81	281.02
	Outstanding Expenses	287.64	268.21
	Advance from Customers	68.58	72.75
		870.72	957.16
25	PROVISIONS		
	Provisions for Employee Benefits (funded)		
	-Gratuity (Refer Note No. 40)	37.40	36.52
	-Leave Encashment (Refer Note No. 40)	2.10	3.24
	Bonus	104.40	66.94
		143.90	106.70
26	CURRENT TAX LIABILITIES (NET)		
	Provision for taxation (Net of tax payment)	21.43	-
		21.43	-

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	For the year ending 31 March, 2019 Rs. Lacs	For the year ending 31 March, 2018 Rs. Lacs
27	REVENUE FROM OPERATIONS		
	A. Sale of Products		
	Sale of Products (Refer Note No. 27.1)	50,684.73	34,078.74
	B. Other Operating Revenue		
	Processing Charges	336.65	495.82
	Scrap Sales	2,191.69	1,462.31
	Export Incentives	151.94	177.41
	Total (A)+(B)	53,365.01	36,214.28
	Less :		
	Inter-Unit Sale of Products	20,852.04	8,471.07
	Inter- Unit Job Work Income	133.67	367.78
	Sub Total	20,985.71	8,838.85
	Total	32,379.30	27,375.43
	Note No.27.1: Goods and Service Tax (GST) have been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sale of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products, and 'Revenue from operations' for the year ended March 31, 2019 are not comparable with those of previous year. Excise duty on sales amounting to Rs. Nil (31st March, 2018 : Rs. 479.79 lacs) has been included in sales in Statement of Profit and Loss.		
	Note No. 27.2 Disagregated Revenue Information :		
	i) Set out below is the disaggregation of the Company's revenue from contracts with customers :		
	Types of goods and services:		
	Sale/Services of Automotive Parts		
	Sales of manufactured Products	32,024.39	27,069.98
	Job work Income	202.97	128.04
	Export Incentives	151.94	177.41
	Sale of traded products	-	-
	Revenue from contract with customers	32,379.30	27,375.43
	Revenue within India	29,104.60	24,716.22
	Revenue outside India	3,274.70	2,659.21
	Revenue from contract with customers	32,379.30	27,375.43
	Timing of revenue recognition		
	Goods transferred at a point in time	32,379.30	27,375.43
	Revenue from contracts with customers	32,379.30	27,375.43
	ii) Contract balances:		
	The following Table provides information about receivables, contract assets and contract Liabilities from contract with customers.		
	Contract Assets		
	Trade Receivables	3,340.74	3,797.00
	Contract Liabilities		
	Advances from customers	68.58	72.75

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	For the year ending 31 March, 2019 Rs. Lacs	For the year ending 31 March, 2018 Rs. Lacs
iii)	Reconciling the amount of revenue recognised in the statement of Profit and Loss with the contracted price		
	Revenue as per contracted price	32,663.28	27,691.67
	Adjustments		
	Sales return	283.98	316.24
	Revenue from contract with customers	32,379.30	27,375.43
iv)	The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31 2019 are as follows:		
	Advances from customers	68.58	72.75
28	OTHER INCOME		
	Interest Income (Refer Note No 28.1)	42.88	22.00
	Exchange Fluctuation	90.79	84.45
	Profit on Sale of Fixed Assets	19.25	10.86
	Excess Provision Written Back	-	11.45
	Cash Discount	46.61	7.28
	IGST/CGST Rebate	198.40	193.08
	Other Income	17.83	16.09
		415.76	345.21
	Note No. 28.1 : Break-up of Interest Income		
	Interest from Bank Deposits	29.70	14.42
	Interest on security deposits	1.78	0.84
	Interest on Income tax / Service tax Refund	11.40	6.73
	Total Interest Income	42.88	22.00
29	COST OF RAW MATERIALS CONSUMED		
	Opening Stock	1,270.23	687.22
	Add: Raw Material Purchased	38,818.96	23,311.33
	Total	40,089.19	23,998.55
	Less : Inter-unit Transfer	20,852.03	8,471.07
	Less: Closing Stocks		
	Less: Closing Stock	869.62	1,270.23
		18,367.54	14,257.25
30	CHANGES IN INVENTORIES OF FINISHED GOODS STOCK-IN-PROCESS AND STOCK-IN-TRADE		
	Opening stocks of		
	Finished Goods	504.18	555.79
	Goods in Transit - Finished Goods	111.45	73.05
	Stock in Process	6,307.98	6,392.86
	Scrap	32.43	18.39
		6,956.04	7,040.09

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	For the year ending 31 March, 2019 Rs. Lacs	For the year ending 31 March, 2018 Rs. Lacs
	Closing Stocks of		
	Finished Goods	853.46	504.18
	Goods in Transit - Finished Goods	179.88	111.45
	Stock in Process	6,725.11	6,307.98
	Scrap	32.20	32.43
		7,790.65	6,956.04
	Changes in inventories of finished goods Stock-in-process and Stock-in-Trade	(834.61)	84.05
31	EXCISE DUTY ON SALE OF GOODS		
	Excise Duty on Sales (Refer Note No. 27.1)	-	497.79
		-	497.79
32	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Wages	3,524.73	2,991.37
	Contribution to Provident and other fund	228.50	215.40
	Staff Welfare Expenses	110.33	96.62
		3,863.56	3,303.39
33	FINANCE COST		
	Interest on Bill Discounting / LC Discounting	151.64	179.34
	Interest on Bank Loan	1,129.01	1,189.42
	Interest on Loan from Financial Institution	94.29	54.08
	Interest Others	194.14	3.16
	Other Charges	41.94	24.88
		1,611.02	1,450.88
34	DEPRECIATION		
	Depreciation on Property, Plant & Equipment	554.98	498.80
	Amortisation on Intangible Assets	280.50	236.36
		835.48	735.16
35	OTHER EXPENSES		
	Consumables, Stores & Spare Consumed	1,362.83	923.33
	Consumption of Packing Materials	164.98	139.10
	Freight Inward, Octroi & Loading/Unloading	157.78	154.41
	Power Charges	2,661.96	2,231.07
	Processing Charges (Net of Inter unit)	1,151.71	875.77
	Freight Outward	378.55	342.39
	Vehicle Running & Maintenance	283.61	224.23
	Repairs to Machinery	435.49	284.93

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No.	Particulars	For the year ending 31 March, 2019 Rs. Lacs	For the year ending 31 March, 2018 Rs. Lacs
	Repairs to Buildings	6.47	3.67
	Other Maintenance Charges	52.01	68.98
	Rejections & Deduction	10.04	3.36
	Bank Charges	89.53	128.23
	Office Expenses	33.02	34.17
	Printing & Stationery	9.76	9.26
	Telephone Expenses	24.41	25.92
	Travelling & Conveyance Expenses	314.22	268.54
	Advertisement & Publicity	0.58	-
	Discount	115.28	221.62
	Rates & Taxes	44.82	41.48
	Insurance	30.91	29.64
	Rent	114.49	114.41
	Legal & Professional Charges	79.02	53.14
	Auditors Remuneration (Refer Note No. 35.1)	6.50	9.90
	CSR Expense	1.07	15.78
	Laboratory Charges	0.19	0.06
	Penalty	0.31	0.28
	Subscription	12.95	1.30
	Business Promotion & Sales Comission	32.55	38.50
	Loss on Sales /Discard of Assets	12.70	9.05
	Watch & Ward	52.02	46.53
	Charity & Donations	2.59	0.30
		7,642.35	6,299.35
35.1	As auditor :		
	Audit Fee	5.00	6.00
	Tax Audit Fee	1.00	1.50
	Limited review	0.50	1.65
	Other Services	-	0.75
		6.50	9.90
36	EXTRAORDINARY/EXCEPTIONAL ITEM		
	Profit on Sale of Land & Building	783.89	-
		783.89	-
	Note 36.1 : The exceptional item represents the amount of profit earned by the Company on sale of Land & Building situated at Village Kalali, Vadodara, Gujarat		

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

37 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total equity. Company's Debt is defined as Long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

Particulars	31st March 2019 (Rs. Lacs)	31st March 2018 (Rs. Lacs)
Borrowings (incl. short term borrowings)	12,508.83	11,484.75
Less: Cash and cash Equivalent	18.45	88.67
Net Debt	12,490.38	11,396.08
Total Equity	14,674.65	13,459.20
Total Equity+Net Debt	27,165.03	24,855.28
Gearing ratio (Ideal Ratio < 50%)	45.98%	45.85%

38 CONTINGENT LIABILITIES

- i. In respect of Bank Guarantee : Rs.287.37 lacs (Previous year Rs.202.13 lacs)
- ii. Bills Discounted with Banks Rs. 1458.66 lacs (Previous year Rs. 692.85 lacs)
(These represents Bills discounted against confirmed Letters of Credit issued by the customers and no liability is likely to arise against the same)
- iii. In respect of Capital commitments Net of Advances : Rs.434.57 lacs (Previous year Rs. 479.63 lacs)
- iv. Guarantees given by the company on behalf of others Rs.140.00 lacs (Previous year Rs. 140.00 lacs)
- v. Sales tax liability in respect of matters in appeal - Rs. 152.80 lacs (Previous Year Rs. 152.80 lacs)
- vi. Excise Duty Liability in respect of matters in appeals – Rs. 21.61 lacs (Previous year Rs.24.33 lacs)
- vii. Disputed Liability in respect of Entry Tax – Nil (Previous year Rs.2.19 lacs) – The impugned demand was towards denial of exemption for the Entry Tax.
- viii. Disputed liability of power expenses demanded by H.P.S.E.B. Rs. 37.56 lacs (Previous year Rs.37.56 lacs)
(The company has filed appeal before the Hon'ble High Court of Himachal Pradesh. The company has deposited Rs.37.56 lacs (Previous Year Rs. 37.56 lacs) against the impugned demand and the amount has been shown under the head "Advances recoverable" in the balance sheet, pending decision of the Hon'ble High Court.
- ix. Income Tax Demand under appeal – Nil (Previous year Rs.76.96lacs).
- x. Claim against the company not acknowledged as debt- Rs. 76.00 lacs (Previous year Rs. 76.00 lacs)

Export Obligations against EPCG Licences :

The Company has obtained licenses/authorization under the Export Promotion Capital Goods (EPCG) scheme for importing capital goods at a concessional rate of custom duty against submission of bonds. Under the term of the respective license authorization, the Company is required to export goods of FOB value equivalent to eight times duty saved in respective licenses/authorization where export obligation has been fixed by the office of DGFT, Ministry of Commerce and Industry, as applicable. Balance obligation as on 31.03.2019 under the aforesaid licenses/authorizations is Rs.875.20 lacs (Previous Year Rs.507.60 lacs) against which the Company has fulfilled export obligation of Rs.604.66 lacs and applications for EODC already filed.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

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

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

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

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

Sr. No.	Related parties	Nature of Transactions during the year	2018-19 (Rs. Lacs)	2017-18 (Rs. Lacs)
(i)	Globe Precision Industries Pvt. Ltd	Sale of Goods	10,408.48	8,149.97
		Purchase of Goods	950.57	98.38
		Sale of Fixed Assets	1.77	9.56
		Purchase of Fixed Assets	1.70	0.64
		Job Work Charges Received	126.99	75.09
		Job Work Charges Paid	47.30	44.98
(ii)	Himachal Shots & Metals Pvt. Ltd.	Sale of Goods	216.10	165.86
		Purchase of Goods	56.97	39.24
(iii)	Him Overseas	Sale of Goods	0.79	8.13
		Purchase of Goods	0.55	0.63
		Job Work Charges Received	3.37	0.03
		Job Work Charges Paid	0.98	1.04
		Sale of Fixed Assets	-	0.07
		Purchase of Fixed Assets	-	0.22
(iv)	Sh. Vijay Aggarwal	Short Term Benefits	58.20	55.30
		Rent	0.30	2.55
(v)	Sh. Rajiv Aggarwal	Short Term Benefits	30.60	30.82
		Rent (*)	15.00	15.00
(vi)	Sh. Manan Aggarwal	Short Term Benefits	18.00	15.60
(vii)	Sh. Mrinal Aggarwal	Short Term Benefits	9.00	9.00
(viii)	Sh. Aditya Aggarwal	Short Term Benefits	1.50	-
(ix)	Sh. Shailesh Gandhi	Short Term Benefits	4.40	4.38
(x)	Sh. Chintan Doshi	Short Term Benefits	-	3.25
(xi)	Ms. Snehal Chokshi	Short Term Benefits	2.11	-
(xii)	Smt. Anju Aggarwal	Rent	0.30	2.55
(xiii)	Smt. Asha Aggarwal	Rent (*)	15.00	15.00

Note (*) : Rent paid to Sh. Rajiv Aggarwal & Smt. Asha Aggarwal is part of the remuneration to Sh. Rajiv Aggarwal towards rent free accomodation provided by the Company.

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

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

Sr. No.	Related parties	Nature of Transactions during the year	As at 31st March, 2019 (Rs. Lacs)	As at 31st March, 2018 (Rs. Lacs)
(i)	Globe Precision Industries Pvt. Ltd	Receivables	486.61	278.76
(ii)	Himachal Shots & Metals Pvt. Ltd.	Receivables	65.34	69.14
(iii)	Him Overseas	Receivables	-	9.25
		Payables	-	-
(v)	Sh. Vijay Aggarwal	Short Term Benefits payable	4.20	11.79
(vi)	Sh. Rajiv Aggarwal	Short Term Benefits payable	2.55	2.55
(vii)	Sh. Manan Aggarwal	Short Term Benefits payable	0.10	0.29
(viii)	Sh. Mrinal Aggarwal	Short Term Benefits payable	1.36	1.69
(ix)	Sh. Aditya Aggarwal	Short Term Benefits payable	0.75	-
(x)	Sh. Shailesh Gandhi	Short Term Benefits payable	0.38	0.34
(xi)	Ms. Snehal Chokshi	Short Term Benefits payable	0.21	-

40 EMPLOYEE BENEFITS

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

(i) Defined Contribution Plan

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

Particulars	2018-19 (Rs. Lacs)	2017-18 (Rs. Lacs)
Employer's Contribution to Provident Fund	127.72	127.20

(ii) Defined Benefit Plan

(a) Gratuity:

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

(b) Leave encashment:

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

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

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2019 and 31 March 2018.

Sr. No.	Particulars	2018-19		2017-18	
		Leave Encashment (Rs. Lacs)	Gratuity (Rs. Lacs)	Leave Encashment (Rs. Lacs)	Gratuity (Rs. Lacs)
I	Changes in present value of obligations				
(a)	Present value of obligations as at the beginning of year	48.66	226.76	32.23	171.57
(b)	Past Service Cost	-	-	-	25.35
(c)	Interest cost	3.63	16.94	2.43	13.71
(d)	Current Service Cost	36.29	33.50	39.66	30.07
(e)	Benefits Paid	(5.34)	(25.23)	(5.96)	(14.84)
(f)	Actuarial gain on obligations	(22.01)	97.98	(19.69)	0.91
(g)	Present value of obligations as at the end of year	61.24	349.95	48.66	226.76
II	Changes in the fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	-	18.86	-	16.27
(b)	Expected return on plan assets	-	1.45	-	1.30
(c)	Contributions	0.42	2.01	2.65	1.81
(d)	Benefits paid	(0.42)	(1.70)	(2.65)	(0.51)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	-	20.62	-	18.86
III	Change in the present value of the defined benefit obligation and fair value of plan assets	61.24	329.33	48.66	207.90
(a)	Present value of obligations as at the end of the year	61.24	349.95	48.66	226.76
(b)	Fair value of plan assets as at the end of the year	-	20.62	-	18.86
(c)	Net (liability) / asset recognized in balance sheet	61.24	329.33	48.66	207.90

(d) Amount for the year ended 31 March, 2019 and 31 March, 2018 recognised in the statement of profit and loss under employee benefit expenses.

Sr. No.	Particulars	2018-19		2017-18	
		Leave Encashment (Rs. Lacs)	Gratuity (Rs. Lacs)	Leave Encashment (Rs. Lacs)	Gratuity (Rs. Lacs)
I	Expenses Recognised in statement of Profit & Loss				
(a)	Current Service cost	36.29	33.50	39.66	30.07
(b)	Past Service Cost	-	-	-	25.35
(c)	Interest Cost	3.63	16.94	2.43	13.71
(d)	Expected return on plan assets	-	(1.46)	-	(1.27)
(e)	Net Actuarial gain recognised in the year	(22.01)	(0.86)	(19.69)	-
(f)	Expenses recognised in statement of Profit & Loss Account	17.92	48.12	22.39	67.87

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(e) Amount for the year ended March 31, 2019 and March 31, 2018 recognised in the statement of other comprehensive income.

Sr. No.	Particulars	2018-19		2017-18	
		Leave Encashment (Rs. Lacs)	Gratuity (Rs. Lacs)	Leave Encashment (Rs. Lacs)	Gratuity (Rs. Lacs)
I	Actuarial Gain/Loss recognized				
(a)	Actuarial gain for the year -Obligation	-	97.99	-	0.87
(b)	Actuarial gain for the year - plan assets	-	-	(0.54)	-
(c)	Total gain for the year	-	97.99	(0.54)	0.87
(d)	Total actuarial (gain)/ loss included in other comprehensive income	-	97.99	(0.54)	0.87

41 Derivatives

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

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

Particulars	Foreign Currency	Receivables	
		Amount in Foreign Currency	(Rs. Lacs)
As on 31.03.2019	EURO	2,62,734	204.58
	USD	33,223	22.98
As on 31.03.2018	EURO	3,22,004	259.61
	USD	85,952	55.91

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

Particulars	Foreign Currency	Payable	
		Amount in Foreign Currency	(Rs. Lacs)
As on 31.03.2019	USD	-	-
As on 31.03.2018	USD	4,794	3.12

42 FINANCIAL RISK MANAGEMENT

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

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

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.
2	Liquidity Risk	Borrowings, Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security.

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

3	Market Risk – Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	Forward foreign currency contract, future and option.
4	Price Risk – Commodity Prices	Basic ingredients of company raw materials are various grade of steel and copper where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.

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

(A) Credit Risk

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

Credit Risk Management

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

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

Loss allowance as on 1 April 2018	4.79
Change in loss allowance	-
Loss allowance as on 31 March 2019	4.79

(B) Liquidity Risk

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

(C) Market Risk

Foreign currency risk

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

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

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

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Open exposure

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

Particulars	Euro	USD
31 March 2019		
Trade receivables- Foreign Currency	2,62,734	33,223
Trade receivables- Rs. Lacs	204.58	22.98
Trade Payables - Foreign Currency	-	11,207
Trade Payables - Rs. Lacs	-	7.75
31 March 2018		
Trade receivables- Foreign Currency	3,22,004	85,952
Trade receivables- Rs. Lacs	259.61	55.91
Trade Payables - Foreign Currency	-	4,794
Trade Payables - Rs. Lacs	-	3.12

Sensitivity Anaysis-

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

Particulars	31 March 2019 (Rs. Lacs)	31 March 2018 (Rs. Lacs)
Euro	10.23	12.98
USD	0.76	2.64
Total	10.99	15.62

(d) Price Risk

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

43 LEASES:

The Company's major leasing arrangements are in respect of factory building & machinery /office premises (including furniture & fittings therein wherever applicable taken on leave and license basis). The aggregate lease rentals of Rs. 114.49 lacs (March 2018: Rs.114.41 lacs) are charged as Rent and shown under the Note No. 34 "Other Expenses". These leasing arrangements, which are cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms and conditions.

44 Balance of Trade Receivable includes Rs. 174.00 lacs (March 2018: Rs. 164.11 lacs) which are overdue for which a provision of Rs.4.79 lacs is made and for others no provision has been made in the accounts as the Management is hopeful of recovery.

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

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

46 Fair Value measurement-

The fair value of Financial instrument as of March 31,2019 and March 31,2018 were as follows-

Particulars	March 31,2019	March 31,2018	Fair value Hierarchy & Technique
Assets-			
Investment in Equity shares through OCI	0.37	0.85	Level-1 (Quoted Market Price)
Investment in Bonds through Profit and Loss	0.16	0.16	Level-1 (Quoted Market Price)
Total	0.53	1.01	

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

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

47 EARNINGS PER SHARE

Particulars	For the Year ended 31.3.2019	For the Year ended 31.3.2018
(A) Profit attributable to Equity Shareholders (Rs. Lacs)	1,830.08	1,051.77
(B) Weighted Average No. of Equity Shares outstanding during the year	78,66,016	78,66,016
(C) Face Value of each Equity Share (Rs.)	2	2
(D) Basic earning per Share (Rs.)	23.27	13.37
(E) Diluted earning per Share (Rs.)	23.27	13.37

48 SEGMENT REPORTING

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

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

As per our report of even date

For PRA ASSOCIATES
Chartered Accountants
Firm Registration Number: 2355N

Sd/-
Deepak Gupta
Partner
Membership No. 89597

Place: Chandigarh
Date: 30th May, 2019

Sd/-
Shailesh Gandhi
Chief Financial Officer

Sd/-
Snehal Chokshi
Company Secretary

On behalf of the Board

Sd/-
Vijay Aggarwal
Managing Director
DIN: 00094141

Sd/-
Rajiv Aggarwal
Jt. Managing Director
DIN: 00094198

Date: 30th May, 2019

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

CIN: L29130HP1971PLC000904

ATTENDANCE CARD

I/We

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

hereby record my/our presence at the **FORTY EIGHTH ANNUAL GENERAL MEETING** of the Company held at registered office of the Company at **Village Billanwali, Baddi - 173205, Dist. Solan (HP) on Saturday, 28th September 2019 at 11:30 AM.**

HIM TEKNOFORGE LIMITED

(Formerly known as Gujarat Automotive Gears Limited)

REGISTERED OFFICE: Village Billanwali, Baddi - 173205,

District. Solan (Himachal Pradesh)

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

FORTY EIGHTH ANNUAL GENERAL MEETING

Saturday, 28th September, 2018 at 11:30 a.m.

PROXY FORM

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Forty Eighth Annual General Meeting of the Company, to be held on **Saturday, 28th September, 2019 at 11:30 a.m.** at registered office of the company at Village Billanwali, Baddi - 173205, District. Solan (Himachal Pradesh) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Option*	
		For	Against
Ordinary Business			
1	To receive consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019 and report of the Board of Directors and Auditors.		
2	To declare dividend on Equity Share for the Financial Year ended March, 2019.		
3	To appoint Mr. Vijay Aggarwal (DIN 00094141), who retires by rotation and being eligible offers himself for re- appointment.		
Special business			
4	Increase in Remuneration of Mr. Rajiv Aggarwal (DIN: 00094198), Joint Managing Director of the company:		
5	Appointment of Mr. Pradeep Kumar (DIN: 03052477) as an Independent Director:		
6	Appointment of Mr. Purshotam Lal Sharma (DIN: 03509280) as an Independent Director		
7	Mr. Baskaran Kesavareddiyar as Nominee Director		
8	Mrs. Bhavana Rao as Nominee Director		
9	Ratification of remuneration of Cost Auditors		

Signed this _____ day of _____ 2019

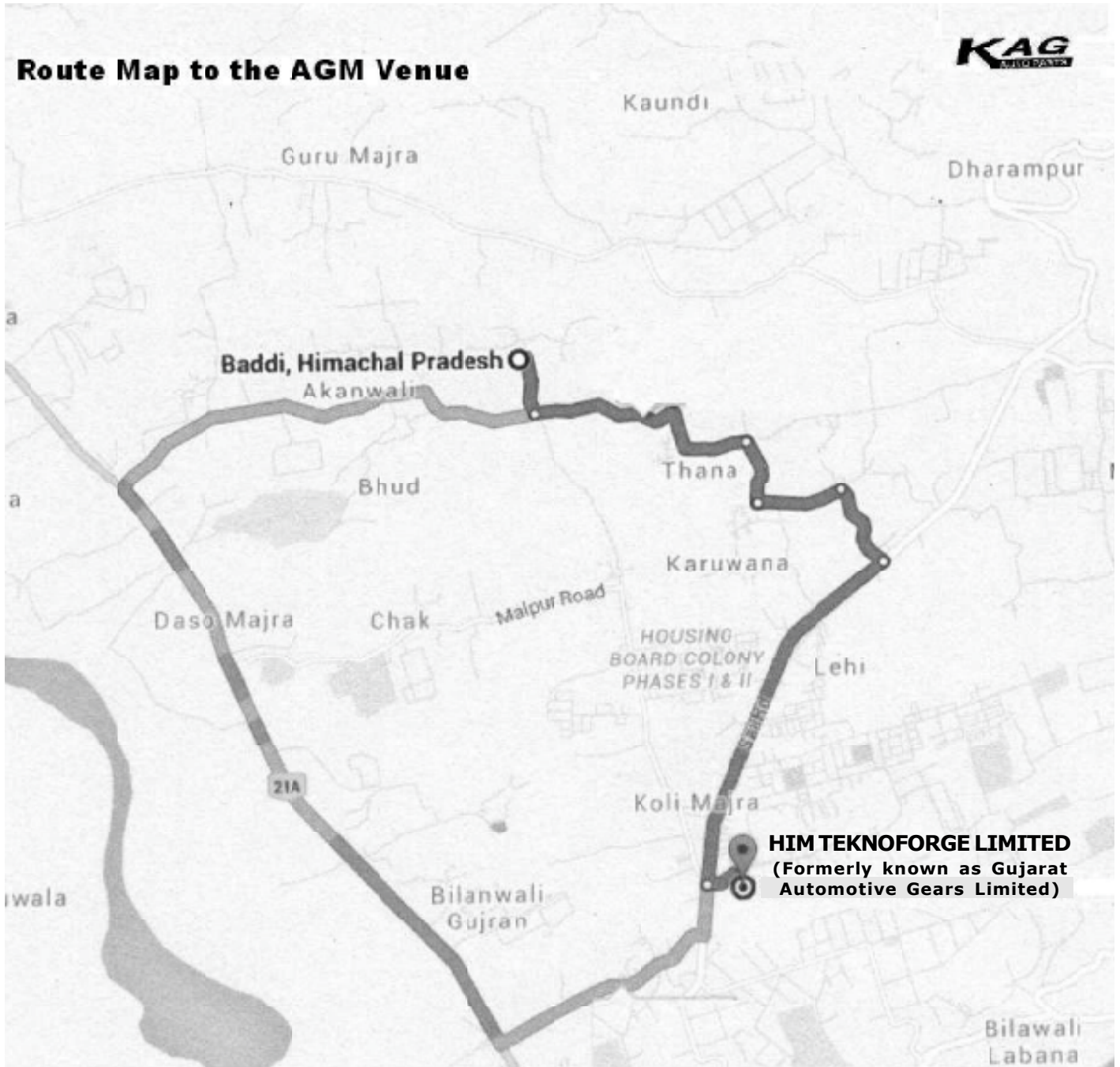
Member's Folio/ DP ID- Client ID No. _____

Signature of shareholder(s) _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp
Re. 1/-

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



NOTES

