

**TECHNO FORGE LIMITED**

1021-1022, G.I.D.C ESATE
ANKLESHWAR, GUJARAT
INDIA, PIN-393002
ISO 9001 : 2015
UDYAM REG. NO. : UDYAM-GJ-06-0001084

Contact No : 9327245594/9377510861/9913757249
Email: technoforgeltd@gmail.com
www.technoforgeindia.com
GST IN : 24AAACT7773L1ZW
Pan No: AAACT7773L
CIN : L28910GJ1979PLC003508
IEC : 3498003224

BOARDS' REPORT

To the Members,
Techno Forge Limited
Ankleshwar

Your Directors have pleasure in presenting their 45th Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended on 31st March, 2024.

Financial Results/ Review of Operations:

(Rs. in Thousands)

Particulars	Current Year 2023-24	Previous year 2022-2023
Total Revenue	293000	421907
Total Expenditure	323316	424417
Profit Before Exceptional & Extraordinary items & tax	(30317)	(2510)
Exceptional & Extraordinary items & tax	0	0
Profit Before Taxes	(30317)	(2510)
Less : Current Tax	0	0
Less : Deferred Tax	11235	(2841)
Profit After Taxes	(41511)	330

Transfer to Reserves:

In view of losses, no amount has been transferred to the reserves by the Company.

Dividend:

In view of losses during the year, your Directors have thought it prudent not to recommend any dividend for the financial year under review

Operations:

During the year under review, total revenue was recorded Rs. 29.30 cr as compared with total revenue of Rs. 42.19 crores in previous financial year. The Company recorded loss of Rs. 3.03 crores.

Corporate Insolvency Resolution Process & material developments

The Bank of India ("Financial Creditor") filed the petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"), vide C.P. (IB) No. 264 of 2018 for initiation of the Corporate Insolvency Resolution Process against Techno Forge Limited ("Corporate Debtor or Company") which was admitted by Honourable National Company Law Tribunal, Ahmedabad Bench (NCLT) vide its order dated 02.07.2020.

The NCLT vide its order dated 02.02.2024 (IA No. 864 of 2021), approved the Resolution Plan submitted by Resolution Applicants and granted all reliefs and concessions sought from the government/ statutory authorities for effective implementation of the resolution plan. However, the order of NCLT is erroneous since it has deleted clause relating to release of personal guarantee of the suspended management and other matters which were approved in Final Resolution Plan by the Committee of Creditors. Accordingly, the Company has preferred an appeal with honourable National Company Law Appellate Tribunal (NCLAT) against the order of the NCLT, which has partially modified the Resolution Plan approved by the Committee of Creditors. Further, the Resolution Applicants/ the Company is under process of implementation of resolution plan conditions.

Material changes and commitment occurred after the end of Financial Year and up to the date of Report:

Except appeal before the NCLAT as referred above, there is no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

Subsidiary Company or Joint Venture Company or Associate Company:

Your Company does not have any subsidiary company or Joint Venture Company or Associate Company.

Adequacy of Internal Control System:

There is an adequate internal control system including Internal Finance Control system in the Company with reference to process and working operations.

Deposits:

The Company has neither accepted nor renewed any deposits from public during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

During the year company has availed borrowings from the “Resolution applicants” and as on 31.03.2024 the company has Rs. 33095/- (‘000) outstanding borrowings.

Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013:

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, no loan or guarantee given by the Company and no investments in the securities of any company are made.

Share capital:

During the year under review, there is no change in the Share Capital of the company. As per the “Resolution Plan” approved by the Committee of Creditors under the provisions of the Insolvency and Bankruptcy Code, 2016, entire exiting equity share capital shall get extinguished. However, the honourable NCLT Bench, Ahmedabad has partially modified the Resolution Plan with reference to shareholding and the Resolution Applicant/ existing director(s) have preferred appeal with honourable NCLAT, New Delhi against the order of NCLT.

Transfer to Investor Education & Protection Fund:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no amount required to be transferred to Investor Education & Protection Fund.

Annual Evaluation:

As the securities of the Company got delisted from BSE Limited with effect from 11.05.2018, the Company is unlisted company as on the date and hence, requirement of formal annual evaluation to be done by the Board of its own performance and that of its committees and individual directors is not applicable.

Directors:

During the year under review, Mr. Vikram Ashokbhai Kapasi, one of the Resolution Applicant was appointed as Director of the Company w.e.f.

03.03.2024 in compliance with the order of honourable NCLT, Ahmedabad.

Meetings:

After approval of the Resolution Plan by honourable NCLT, Ahmedabad Bench dtd 02.02.2024, Board Meeting were convened and held on 22.03.2024.

Director's Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement;

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis.
5. 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.

Independent Director's Declaration:

As on the date, the provisions relating to appointment of Independent directors are not applicable to the Company.

Audit Committee:

The Company is not required to constitute Audit Committee since the provisions of section 177 of the Companies Act, 2013 are not applicable.

Nomination and Remuneration Committee and Company's Policy On directors' appointment and remuneration:

The Company is not required to constitute Nomination and Remuneration Committee as the provisions of section 178 of the Companies Act, 2013 are not applicable.

Auditors:

M/s. Mahesh A Mehta & Co., Chartered Accountants, Ankleshwar (Firm Registration No. 105871W), who hold the office until conclusion of ensuing 45th Annual General Meeting. The Board of Directors have recommended appointment of **R Choudhary & Associates**, Chartered Accountants (Firm Registration Number 101928W) as the statutory auditors of the Company for a tenure of 5 years from the conclusion of ensuing 45th Annual General Meeting till the conclusion of 50th Annual General Meeting to be held in the financial year 2029-30. The Company has obtained necessary consent under section 141 of the Companies Act, 2013 are eligible for appointment as required under the provisions of Section 139 of the Companies Act, 2013.

Explanations on Qualifications/ Adverse Remarks contained in the Audit Report:

The observations of the Auditors are self explanatory and do not call for further information.

Secretarial Audit:

As on the date, the securities of the Company are not listed at any stock exchange and hence being unlisted company, the provisions of Section 204 of the Companies Act, 2013 relating to Secretarial Audit are not applicable to the Company.

Frauds reported under Section 143(12) of the Companies Act, 2013:

No fraud was noticed by the Auditors under Section 143(12) of the Companies Act, 2013.

Risk Management:

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Board judges from time to time Credit Risk/ Liquidity Risk to the fair and reasonable extent that your Company is willing to take. The Company has its internal Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

Corporate Social Responsibility (CSR):

Since the Company's net worth does not exceed Rs. 500 crores or Company's turnover does not exceed Rs. 1,000 crores or the Company's net profit does not exceed Rs. 5 crore for any financial year, the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility activities are not applicable to the Company.

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

Your Company is committed to provide a healthy environment to all employees that enable them to work without the fear of prejudice and gender bias. Your Company has in place a Prevention of Sexual Harassment (POSH) Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company through this policy has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and your Company has complied with its provisions. No complaints were pending in the beginning of the year or no complaint received during the year the Financial Year 2023-24.

Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo:

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

(i) steps taken by the company for utilizing alternate sources of energy including waste generated : nil

(B) Technology absorption:

1. Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

The Company has not taken any technical know how from anyone and hence not applicable.

2. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

3. Expenditure incurred on Research and Development:

(C) Foreign exchange earnings and Outgo

PARTICULARS	Amt (In Rs.)
Foreign Exchange earned in terms of actual inflows during the year	<u>117,28,152/-</u>
Foreign Exchange outgo during the year in terms of actual outflows	4,36,311/-

Statement under Rule 5 (2) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Nil

There is no employee in the Company drawing remuneration aggregating to Rs. 8.50 lacs or above per month or Rs. 1.02 crore or above per annum.

Disclosure on establishment of Vigil Mechanism:

As per provision of the Companies Act, 2013, your Company has not accepted deposits from the public and has not borrowed money from banks and public financial institutions in excess of Rs. 50 crores, so Vigil Mechanism shall not be applicable to your Company.

Disclosure in respect of scheme formulated under section 67(3) of the Companies act, 2013:

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013.

Disclosures pursuant to section 197 (12) of the Companies act, 2013 and the rules made thereunder:

The Company being unlisted public limited company, the provisions relating to disclosure under section 197(12) of the Companies Act, 2013 are not applicable to the Company.

Disclosures pursuant to section 197 (14) of the Companies act, 2013:

None of the Directors of the Company is in receipt of any commission from the Company.

Related Parties Transactions:

All transactions entered into with the related parties are at arms' length price and in ordinary course of business. The particulars of transactions or contracts entered or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in **Annexure A** (in the format AOC-2) and is attached to this Report.

Details of related party transactions entered into by the Company, in terms of Accounting Standard-18 have been disclosed in the notes to the financial statements forming part of this Report.

Annual Return:

The Annual Return shall be placed at the website of the Company.

Significant and material order passed by the Regulators/ courts:

During the year under review, the honourable National Company Law Tribunal, Ahmedabad Bench passed order for approval of resolution plan, vide its order dated 02.02.2024. Except this, no other significant and material order was passed by the Regulators or courts.

Maintenance of Cost Record:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of cost record is not applicable to the Company for the Financial Year 2023-24.

Compliance of Applicable Secretarial Standards:

The Company has complied with the provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

Details of application made or any preceding pending under Insolvency and Bankruptcy Code, 2016 during the FY along with the current status:

During the year under Review, the honourable NCLT, Ahmedabad Bench approved Resolution Plan vide its order dated 02.02.2024 and management has been handed over to the resolution applicants.

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: Not Applicable

Acknowledgments:

The Board takes this opportunity in expressing their gratitude to the its shareholders, bankers, courts of law, professionals, stakeholders and employees of the Company.

**On behalf of the Board
For Techno Forge Limited**

Place: Ankleshwar

Date: 21.09.2024

**Ashok Kapasi
Director
DIN: 00041185**

**Arun Kapasi
Director
DIN:00041242**

Annexure A to Boards' Report

Form No. AOC-2

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances , if any	Date of special resolution as per first proviso to section 188
-	-	-	-	-	-	-	-

2. Details of material contracts or arrangement or transactions **at arm's length basis**:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances , if any
Ashok Kapasi- Director	Remuneration	01.4.2023 to 31.03.2024	Rs. 480000/-	-	-
Arun Kapasi- Directot	Remuneration	01.4.2023 to 31.03.2024	Rs. 480000/-	-	-

For Techno Forge Limited

Place: Ankleshwar

Date: 21.09.2024

Ashok Kapasi

Arun Kapasi

Director
DIN: 00041185

Director
DIN:00041242