



SANGHVI
FORGING & ENGINEERING LTD.

11th November, 2020

SEC/REG33/SEBI/LODR/2020-21

The Manager BSE Ltd. Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai 400 001 Code No. 533411	The Manager Listing Department, National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, C/1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051 Symbol "SANGHVIFOR"
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Dear Sir/Madam,

Sub: Unaudited Financial Results (Standalone and Consolidated) for the Quarter/Half Year ended 30th September, 2020 under regulation 29 of SEBI (LODR) Regulations, 2015

As earlier Intimated dated 2nd November, 2020 & 10th November, 2020, to consider & approve financial results for the Quarter/Half year ended 30th September, 2020.

The Company is under Corporate Insolvency Resolution Process (CIRP) in terms of the Order of Hon'ble NCLT Ahmedabad dated 30th August, 2019 and the powers of the Board of Directors having been suspended are vested with Mr. Parthiv Parikh, the Resolution Professional, under Insolvency and Bankruptcy Code, 2016.

In terms of Regulation 30, 33 and other applicable regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Regulations), we are Submitting herewith

- Unaudited Financial Results (Standalone and Consolidated) for the Quarter/Half year ended 30th September, 2020
- Limited Review Report of Statutory Auditors M/s V. K. Shastri, Chartered Accountants.

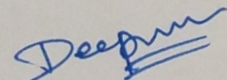
The results were signed by the CEO and CFO and taken on record by the Resolution Professional. You are requested to take note of the above

The results are also being published in the newspapers and placed on Company's website.

Thanking you,

Yours Faithfully,

For Sanghvi Forging and Engineering Limited



Deepika Agrawal
Company Secretary & Compliance officer

Encl: As above





SANGHVI FORGING & ENGINEERING LTD.

Regd. Office: 244/6-7, G.I.D.C. Ind. Estate, Waghodia - 391 760, Dist. Vadodara, India. Ph: 02668-673100 Fax : 02668-673135
CIN : L28910GJ1989PLC012015 E-mail : contact@sanghviforge.com; Website : www.sanghviforge.com

(in Lakhs)

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020

Sr. No.	Particulars	Standalone					
		Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	a) Revenue From Operations	1,337.29	667.20	1,866.72	2,004.49	3,635.89	5,956.37
	b) Other Income	(8.26)	15.60	42.85	7.34	46.35	64.30
	Total Revenue (Net)	1,329.03	682.80	1,909.57	2,011.83	3,682.24	6,020.67
2	Total Expenditure						
	a) Cost of Material Consumed	732.93	367.70	425.89	1,100.63	1,187.18	2,658.39
	b) Purchase of Stock in Trade	-	-	-	-	-	-
	c) Change in Stock (Increase./Decrease) in Stock	(138.64)	73.80	225.10	(64.84)	39.09	248.55
	d) Employees Benefit Expense	156.23	118.50	169.62	274.73	338.28	645.95
	e) Depreciation	212.97	210.30	214.23	423.27	427.17	851.84
	f) Finance Cost	34.46	29.40	62.81	63.86	148.21	249.06
	g) Other Expenses	531.43	239.30	558.62	770.73	1,101.57	1,882.99
	Total Expenses	1,529.38	1,039.00	1,656.27	2,568.38	3,241.50	6,536.78
3	Profit / (Loss) from Operations before Exceptional Items & Tax (1-2)	(200.35)	(356.20)	253.30	(556.55)	440.74	(516.11)
4	Exceptional Items						
5	Profit / (Loss) before tax (3-4)	(200.35)	(356.20)	253.30	(556.55)	440.74	(516.11)
6	Tax Expense	-	-	-	-	-	-
7	Net Profit / (Loss) for the Period (5-6)	(200.35)	(356.20)	253.30	(556.55)	440.74	(516.11)
8	Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(24.82)
9	Total Comprehensive Income for the Period (7+8)	(200.35)	(356.20)	253.30	(556.55)	440.74	(540.93)
10	Paid up Equity Share Capital (Face Value of ₹10/- each)	1,489.23	1,489.23	1,489.23	1,489.23	1,489.23	1,489.23
11	Earning per Share (EPS) (₹10 per Share) (Not Annualized)						
	Basic EPS	(1.35)	(2.39)	1.70	(3.74)	2.96	(3.47)
	Diluted EPS	(1.35)	(2.39)	1.70	(3.74)	2.96	(3.47)



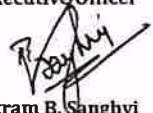
STATEMENT OF ASSETS AND LIABILITIES			
(` in Lakhs)			
Particulars	Standalone		
	30.09.2020 (Unaudited)	31.03.2020 (Audited)	
ASSETS			
(1) Non - Current Assets:			
(a) Property, Plant and Equipment	12,027.39	12,448.90	
(b) Capital Work-in-Progress	0.00	0.00	
(c) Intangible Assets	12.21	13.97	
(d) Investments (in the nature of equity in subsidiaries)	0.07	0.07	
(e) Financial Assets :			
(i) Other Financial Assets	158.19	155.42	
(f) Other non- current assets	96.06	96.06	
Total Non-Current Assets	12,293.92	12,714.43	
(2) Current Assets:			
(a) Inventories	2,345.40	1,915.55	
(b) Financial Assets :			
(i) Trade Receivables	1,573.46	1,473.71	
(ii) Cash & Cash Equivalents	284.18	180.49	
(iii) Bank Balance other than above(ii)	103.66	102.70	
(iv) Other financial assets	1,116.42	1,122.36	
(c) Other Current Assets	369.75	331.40	
Total Current Assets	5,792.87	5,126.21	
	18,086.80	17,840.64	
EQUITY AND LIABILITIES			
Shareholder's Fund :			
(a) Equity Share Capital	1,489.23	1,489.23	
(b) Other Equity	- 4,756.07	- 4,199.51	
Total Equity	- 3,266.85	- 2,710.28	
Liabilities :			
(1) Non-Current Liabilities:			
(a) Financial Liabilities			
(i) Borrowings	1,965.98	1,965.98	
(b) Provisions	71.28	72.31	
Total Non-Current Liabilities	2,037.26	2,038.29	
(2) Current Liabilities:			
(a) Financial Liabilities :			
(i) Borrowings	12,629.70	12,504.70	
(ii) Trade Payables			
-Trade Payables for Others	2,272.30	1,694.73	
-Trade Payables for Micro, Small and Medium Enterprises	4.11	4.11	
(iii) Other Financial Liabilities	3,423.58	3,425.36	
(b) Other Current Liabilities	680.10	632.80	
(c) Provisions	306.60	250.93	
Total Current Liabilities	19,316.39	18,512.63	
	18,086.80	17,840.64	

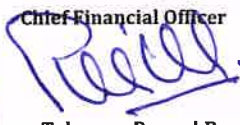


Particular	For the half year ended Sept. 30, 2020	For the half year ended Sep 30, 2019	For the year ended March 31, 2020
A. Cash Flow From Operating Activities:			
Net Profit Before Tax	(55656.44)	44074.43	(51610.59)
Adjustment for:			
Depreciation / Amortization / Impairment	42327.03	42716.59	85184.35
Interest Expense / Finance Cost	6221.38	1660.84	1754.68
Interest Income	(0.00)	(9.12)	(1341.42)
Loss/ (Profit) on sale of Fixed Assets	0.00	0.00	0.00
Government Grant Received	(102.95)	(102.95)	(205.91)
Bad debts/ advance written off	0.00	0.00	0.00
Operating Profit Before Working Capital Changes	(7210.99)	88339.79	33781.11
Adjustment for (increase)/decrease in Operating assets:			
Inventories	(42985.50)	(20923.62)	22124.31
Trade Receivables	(9975.14)	6010.84	48924.41
Short Term Loan & Advances	594.76	(37500.00)	(110815.81)
Other Current Assets	(3835.26)	12158.06	7942.60
Other non-current financial assets	(276.70)	(3269.04)	(1138.24)
Other Non-Current Assets	0.00	0.00	0.00
	(56477.84)	(43523.76)	(32962.72)
Adjustment for (increase)/decrease in Operating liabilities:			
Trade Payable	57757.34	(34237.37)	(55759.01)
Non-Current Liabilities-Provisions	0.00	0.00	1508.07
Other financial Liabilities	(177.91)	(231.31)	(511253.89)
Other Current Liabilities	4729.32	(3267.18)	(12548.90)
Short Term Provisions	5566.41	(2441.09)	(3464.18)
	67875.16	(40176.95)	(581517.91)
Cash Generated From Operation	4186.33	4639.08	(580699.52)
Income Tax Expense	0.00		0.00
Net Cash Generated From Operating Activities	4,186.33	4,639.08	580,699.52
B. Cash Flow From Investing Activities			
Purchase of property, plant and equipment/Intangible assets	0.00	(1009.70)	(6672.74)
Change in CWIP	0.00	(3085.19)	240.83
Sales / Devaluation of Assets	0.00	0.00	0.00
Proceed from Sale of Fixed Assets	0.00	0.00	0.00
Fixed Deposit / Margin Money with Bank	(96.00)	(2567.97)	(4826.85)
Interest Received	0.00	9.12	1341.42
Net Cash Used in Investing Activities	(95.98)	(6653.72)	(9917.34)
C. Cash Flow From Financing Activities			
Long Term Loan from Bank	0.00	15245.80	(251571.45)
(Repayments)/ Short Term Borrowing from Bank	12500.00	(110.85)	856753.15
Finance Cost (Interest & Bank Charges)	(6221.38)	(1660.84)	(1754.68)
Net Cash used in Financing Activities	6278.62	13474.11	603427.03
Net Increase /(Decrease) in Cash and Bank Balance (A+B+C)	10368.98	11459.44	12810.17
Opening Balance of Cash & Cash Equivalent	18049.19	5238.98	5238.98
Closing Balance Cash & Cash Equivalent #	28418.17	16698.42	18049.15
# Comprises of,			
Cash on Hand	0.81	1544.26	976.19
Balance with Bank -Current Accounts	28417.31	15154.16	17073.00
	28418.17	16698.42	18049.19

For Sanghvi Forging & Engineering Ltd.


 Jayantilal B. Sanghvi
 Chief Executive Officer


 Vikram B. Sanghvi
 Chief Financial Officer


 Taken on Record By
 Parthiv Parikh
 Resolution Professional


Notes:

- 1 The Statutory Auditor of the Company have carried out a "Limited Review" of the results for the Half Year ended September 30, 2020.
- 2 Bank of Baroda has filed application before NCLT, Ahmedabad under section 7 of the Insolvency and Bankruptcy code, 2016 on 26th April, 2018. Corporate Insolvency Resolution Process (CIRP) has been initiated in respect of Sanghvi Forging & Engineering Limited ("Corporate Debtor") under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') by an order of the Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad Bench dated 30th August, 2019. This is to inform you that the NCLT, Ahmedabad Bench has by order dated 26th May, 2020, which was published and made available on 29th May, 2020 admitted the application filed by the members of Committee of Creditors lead by State Bank of India under Section 22 of the Insolvency Bankruptcy Code 2016 for replacement of Interim Resolution professional (IRP) by the Resolution Professional (RP). The NCLT has appointed Mr. Parthiv Parikh, Registration no. IBB/IPA-002/IP-N00369/2017-18/11063, as the Resolution Professional for Sanghvi Forging & Engineering Limited.
- 3 Post commencement of the CIRP process, the Company is continuing to operate as a going concern in terms of the code.
- 4 The Company's operations for the first two quarters have been impacted due to Lockdown imposed to contain the spread of COVID-19. However, the operations gradually resumed with requisite precautions during these quarters with disrupted supply chain. As a result of lockdown, the likely revenue for the Q-1 & Q-2, 2020 has been impacted. The impact assessment of COVID-19 is a continuous process considering the uncertainties associated with its nature and duration.
- 5 The Company is under CIRP as per Sec. 7 of Insolvency & Bankruptcy Code, 2016 and thereby the Company has not provided the interest of Rs.358.89 Lakhs for Q1 and Rs 358.89 Lakhs for Q2, aggregating of Rs 717.78 Lakhs relevant to F.Y. 2020-21.
- 6 Ind AS 116 having become effective from 1st April 2019 and the impact of the same is negligible for the company.
- 7 The company has only one reportable segment i.e. Forging & Fittings.
- 8 Figures of the previous periods have been regrouped / reclassified / rearranged, wherever necessary, to confirm to the current period's classification.
- 9 The statements has been signed by CEO & CFO and taken on record by RP and affixing of signature on these statements by the RP should not be construed as endorsement or certification by the RP of any facts or figures provided herein.

For Sanghvi Forging & Engineering Ltd.



Jayantilal B. Sanghvi
Chief Executive Officer



Vikram B. Sanghvi
Chief Financial Officer



Taken on Record By
Parthiv Parikh
Resolution Professional

Vadodara
11th November, 2020



SANGHVI FORGING & ENGINEERING LTD.

Regd. Office: 244/6-7, G.I.D.C. Ind. Estate, Waghodia - 391 760, Dist. Vadodara, India. Ph: 02668-673100 Fax : 02668-673135
CIN : L28910GJ1989PLC012015 E-mail : contact@sanghiviforge.com; Website : www.sanghiviforge.com

(in Lakhs)

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020

Sr. No.	Particulars	Consolidated					
		Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	a) Revenue From Operations	1,337.29	667.20	1,926.18	2,004.49	3,695.35	5,981.00
	b) Other Income	(8.26)	15.60	42.85	7.34	46.35	64.30
	Total Revenue (Net)	1,329.03	682.80	1,969.03	2,011.83	3,741.70	6,045.30
2	Total Expenditure	-	-	-	-	-	-
	a) Cost of Material Consumed	732.93	367.70	425.89	1,100.63	1,187.18	2,622.82
	b) Purchase of Stock in Trade	-	-	(0.10)	-	(0.10)	-
	c) Change in Stock (Increase)/(Decrease) In Stock	(138.64)	73.80	274.10	(64.84)	88.09	318.24
	d) Employees Benefit Expense	156.23	118.50	169.62	274.73	338.28	645.95
	e) Depreciation	212.97	210.30	214.23	423.27	427.17	851.84
	f) Finance Cost	34.46	29.40	62.81	63.86	148.21	249.06
	g) Other Expenses	531.43	239.30	569.65	770.73	1,112.60	1,889.88
	Total Expenses	1,529.38	1,039.00	1,716.20	2,568.38	3,301.43	6,577.71
3	Profit / (Loss) from Operations before Exceptional Items & Tax (1-2)	(200.35)	(356.20)	252.83	(556.55)	440.27	(532.49)
4	Exceptional Items	-	-	-	-	-	-
5	Profit / (Loss) before tax (3-4)	(200.35)	(356.20)	252.83	(556.55)	440.27	(532.49)
6	Tax Expense	-	-	-	-	-	-
7	Net Profit / (Loss) for the Period (5-6)	(200.35)	(356.20)	252.83	(556.55)	440.27	(532.49)
8	Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(24.82)
9	Total Comprehensive Income for the Period (7+8)	(200.35)	(356.20)	252.83	(556.55)	440.27	(557.31)
10	Paid up Equity Share Capital (Face Value of ₹ 10/- each)	1,489.23	1,489.23	1,489.23	1,489.23	1,489.23	1,489.23
11	Earning per Share (EPS) (₹ 10 per Share) (Not Annualized)	-	-	-	-	-	-
	Basic EPS	(1.35)	(2.39)	1.70	(3.74)	2.96	(3.58)
	Diluted EPS	(1.35)	(2.39)	1.70	(3.74)	2.96	(3.58)



STATEMENT OF ASSETS AND LIABILITIES			
(` in Lakhs)			
Particulars	Consolidated		
	30.09.2020 (Unaudited)	31.03.2020 (Audited)	
ASSETS			
(1) Non - Current Assets:			
(a) Property, Plant and Equipment	12,027.39	12,448.90	
(b) Capital Work-in-Progress	-	-	
(c) Intangible Assets	12.21	13.98	
(d) Investments (in the nature of equity in subsidiaries)	-	-	
(e) Financial Assets :			
(i) Other Financial Assets	158.19	155.42	
(f) Other non- current assets	96.06	96.06	
Total Non-Current Assets	12,293.86	12,714.36	
(2) Current Assets:			
(a) Inventories	2,345.40	1,904.88	
(b) Financial Assets :			
(i) Trade Receivables	1,573.46	1,473.71	
(ii) Cash & Cash Equivalents	286.62	182.93	
(iii) Bank Balance other than above(ii)	103.66	102.70	
(iv) Other financial assets	1,116.42	1,122.36	
(c) Other Current Assets	369.75	331.40	
Total Current Assets	5,795.31	5,117.98	
	18,089.16	17,832.34	
EQUITY AND LIABILITIES			
Shareholder's Fund :			
(a) Equity Share Capital	1,489.23	1,489.23	
(b) Other Equity	- 4,840.44 -	- 4,294.55 -	
Total Equity	- 3,351.21 -	- 2,805.32 -	
Liabilities :			
(1) Non-Current Liabilities:			
(a) Financial Liabilities			
(i) Borrowings	1,965.98	1,965.98	
(b) Provisions	71.28	72.31	
Total Non-Current Liabilities	2,037.26	2,038.29	
(2) Current Liabilities:			
(a) Financial Liabilities :			
(i) Borrowings	12,629.70	12,504.70	
(ii) Trade Payables			
-Trade Payables for Others	2,359.04	1,781.47	
-Trade Payables for Micro, Small and Medium Enterprises	4.11	4.11	
(iii) Other Financial Liabilities	3,423.58	3,425.36	
(b) Other Current Liabilities	680.09	632.80	
(c) Provisions	306.60	250.93	
Total Current Liabilities	19,403.12	18,599.37	
	18,089.16	17,832.34	



SANGHVI FORGING & ENGINEERING LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2020

(₹ in '000)

Particular	For the half year ended Sept. 30, 2020	For the half year ended Sep 30, 2019	For the year ended March 31, 2020
A. Cash Flow From Operating Activities:			
Net Profit Before Tax	(55635.54)	44028.37	(53249.43)
Adjustment for:			
Depreciation /Amortization /Impairment	42327.03	42716.59	85184.35
Interest Expense / Finance Cost	6221.38	1660.84	1754.68
Interest Income	(0.00)	(9.12)	(1341.42)
Loss/ (Profit) on sale of Fixed Assets	0.00	0.00	0.00
Government Grant Received	(102.95)	(102.95)	(205.91)
Bad debts/ advance written off	0.00	0.00	0.00
Effect of foreign Exchange rate variations during the year		72.63	0.00
Operating Profit Before Working Capital Changes	(7190.08)	88366.36	32142.26
Adjustment for (increase)/decrease in Operating assets:			
Inventories	(43006.38)	(16024.13)	28090.92
Trade Receivables	(9975.14)	(7810.53)	35973.29
Short Term Loan & Advances	594.76	(37500.00)	(110815.81)
Other Current Assets	(3835.26)	12158.00	7942.81
Other non-current financial assets	(276.70)	(3269.04)	(1138.24)
Other Non-Current Assets	0.00	0.00	0.00
	(56498.72)	(52445.70)	(39947.04)
Adjustment for (increase)/decrease in Operating liabilities:			
Trade Payable	57757.34	(24896.38)	(46909.57)
Non-Current Liabilities-Provisions	0.00	0.00	1508.07
Other financial Liabilities	(177.91)	(541.92)	(511564.50)
Other Current Liabilities	4729.32	(541.92)	(12678.59)
Short Term Provisions	5566.41	(2441.09)	(3464.18)
	67875.16	(28421.31)	(573108.76)
Cash Generated From Operation	4186.36	7499.35	(580913.54)
Income Tax Expense	0.00	0.00	0.00
Net Cash Generated From Operating Activities	4186.36	7499.35	(580913.54)
B. Cash Flow From Investing Activities			
Purchase of property, plant and equipment/Intangible assets	0.00	(1009.70)	(6672.74)
Change in CWIP	(0.00)	(3085.19)	240.83
Sales / Devaluation of Assets	0.00	0.00	0.00
Proceed from Sale of Fixed Assets	0.00	0.00	0.00
Fixed Deposit / Margin Money with Bank	(96.00)	(2567.97)	(4826.85)
Interest Received	0.00	9.12	1341.42
Net Cash Used in Investing Activities	(96.00)	(6653.74)	(9917.34)
C. Cash Flow From Financing Activities			
Long Term Loan from Bank	0.00	15245.80	(251571.44)
(Repayments)/ Short Term Borrowing from Bank	12500.00	(96.10)	856767.91
Finance Cost (Interest & Bank Charges)	(6221.38)	(1660.84)	(1754.52)
Net Cash used in Financing Activities	6278.62	13488.86	603441.95
Net Increase /(Decrease) in Cash and Bank Balance (A+B+C)	10368.98	11684.09	12611.09
Opening Balance of Cash & Cash Equivalent	18292.77	5681.67	5681.67
Closing Balance Cash & Cash Equivalent #	28661.76	17365.76	18292.77
# Comprises of,			
Cash on Hand	0.81	1544.26	976.19
Balance with Bank -Current Accounts	28660.89	15821.50	17316.58
	28661.75	17365.76	18292.77

For Sanghvi Forging & Engineering Ltd.



Jayantilal B. Sanghvi
Chief Executive Officer

Vikram B. Sanghvi
Chief Financial Officer



Taken on Record By
Parthiv Parikh
Resolution Professional

Notes:

- 1 The Statutory Auditor of the Company have carried out a "Limited Review" of the results for the Half Year ended September 30, 2020.
- 2 Bank of Baroda has filed application before NCLT, Ahmedabad under section 7 of the Insolvency and Bankruptcy code, 2016 on 26th April, 2018. Corporate Insolvency Resolution Process (CIRP) has been initiated in respect of Sanghvi Forging & Engineering Limited ("Corporate Debtor") under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') by an order of the Hon'ble National Company Law Tribunal ('NCLT'), Ahmedabad Bench dated 30th August, 2019. This is to inform you that the NCLT, Ahmedabad Bench has by order dated 26th May, 2020, which was published and made available on 29th May, 2020 admitted the application filed by the members of Committee of Creditors lead by State Bank of India under Section 22 of the Insolvency Bankruptcy Code 2016 for replacement of Interim Resolution professional (IRP) by the Resolution Professional (RP). The NCLT has appointed Mr. Parthiv Parikh, Registration no. IBBI/IPA-002/IP-N00369/2017-18/11063, as the Resolution Professional for Sanghvi Forging & Engineering Limited.
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- 4 The Company's operations for the first two quarters have been impacted due to Lockdown imposed to contain the spread of COVID-19. However, the operations gradually resumed with requisite precautions during these quarters with disrupted supply chain. As a result of lockdown, the likely revenue for the Q-1 & Q-2, 2020 has been impacted. The impact assessment of COVID-19 is a continuous process considering the uncertainties associated with its nature and duration.
- 5 The Company is under CIRP as per Sec. 7 of Insolvency & Bankruptcy Code, 2016 and thereby the Company has not provided the interest of Rs.358.89 Lakhs for Q1 and Rs 358.89 Lakhs for Q2, aggregating of Rs 717.78 Lakhs relevant to F.Y. 2020-21.
- 6 Ind AS 116 having become effective from 1st April 2019 and the impact of the same is negligible for the company.
- 7 The company has only one reportable segment i.e. Forging & Fittings.
- 8 Figures of the previous periods have been regrouped / reclassified / rearranged, wherever necessary, to confirm to the current period's classification.
- 9 The statements has been signed by CEO & CFO and taken on record by RP and affixing of signature on these statements by the RP should not be construed as endorsement or certification by the RP of any facts or figures provided herein.

For Sanghvi Forging & Engineering Ltd


Jayantilal B. Sanghvi
Chief Executive Officer


Vikram B. Sanghvi
Chief Financial Officer




Taken on Record By
Parthiv Parikh
Resolution Professional

Vadodara
11th November, 2020



V. K. SHASTRI & CO.

Chartered Accountants

CA Venugopal K. Shastri
M.Com., L.L.B., F.C.A., I.S.A.

504, "Citadel" Windsor Plaza-Citadel Complex, R. C. Dutt Road, Vadodara -390 007. Ph. : (0265) 2335669
Fax : 2325088, E-mail : vkshastri@yahoo.co.in

**INDEPENDENT AUDITOR'S REVIEW REPORT ON
REVIEW OF STANDALONE UNAUDITED FINANCIAL RESULTS**

To
The Resolution Professional of
SANGHVI FORGING AND ENGINEERING LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SANGHVI FORGING AND ENGINEERING LIMITED** ("the Company"), for the quarter and half year ended September 30, 2020, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Chief Financial Officer under authority given by Resolution Professional appointed by NCLT, Ahmedabad, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform, the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in Paragraph 3 above, **subject to Note 5 of the Unaudited Standalone Financial Results for the Quarter and half year ended 30.09.19, regarding non-provision of Interest of Rs. 358.89 lacs each for both quarters aggregating to Rs. 717.78 lacs, resulting in Loss of Quarter and half year ended 30th September 20, being under stated to that extent**; nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter :**
We draw attention to Note No. 2 and 3 of the Statement wherein the Corporate Insolvency Resolution Process (CIRP) has been initiated and now Resolution Professional has been appointed by NCLT, due to it's default in repayments of the obligations to it's lenders. The Losses, erosion of net worth and inability to repay it's lenders, this year and also in previous year, indicates that Company cannot be categorised as a "Going Concern" in view of the Accounting Standard



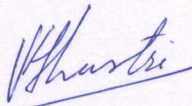
generally accepted in India. However, considering the Ongoing Operations with improved business prospects, Orders on hand, the management is positive about the viability of the Company's Operation. Hence, considering this, Management has prepared Financial Statements on a "Going Concern" basis. Our Conclusion on statement is not modified in respect of this matter.

UDIN No: 20042774AAAACU7766

For **V.K.SHASTRI & CO.**

Chartered Accountants

(Firm's Registration No. 113325W)



(CA V.K.SHASTRI)

Proprietor/ M.No.042774



Date : 11.11.2020

Place - Vadodara

**INDEPENDENT AUDITOR'S REVIEW REPORT ON
REVIEW OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS**

To

The Resolution Professional of

SANGHVI FORGING AND ENGINEERING LIMITED

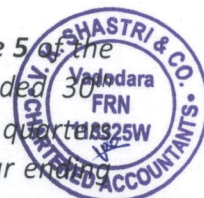
1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SANGHVI FORGING AND ENGINEERING LIMITED** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary collectively referred as "the Group") for the quarter and half year ended September 30,, 2020 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Company's Chief Financial Officer under authority given by Resolution Professional appointed by NCLT, Ahmedabad, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform, the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement Includes the results of the following entity

Sr.No.	Name of the Subsidiary
1.	Sanghvi Europe BV

5. Based on our review conducted as stated in Paragraph 3 above, **subject to Note 5 of the Unaudited Consolidated Financial Results for the Quarter and Half year ended 30 September, 2020 regarding non-provision of Interest of Rs. 358.89 lacs for both quarters aggregating to Rs. 717.78 lacs. resulting is loss of this quarter and of half year ended**



being understated to that extent; nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Emphasis of Matter :**

We draw attention to Note No. 2 and 3 of the Statement wherein the Corporate Insolvency Resolution Process (CIRP) has been initiated and now Resolution Professional has been appointed by NCLT, due to it's default in repayments of the obligations to it's lenders. The Losses, erosion of net worth and inability to repay it's lenders, this year and also in previous year, indicates that Company cannot be categorised as a "Going Concern" in view of the Accounting Standards generally accepted in India. However, considering the ongoing operations with improved business prospects, Orders on hand, the management is positive about the viability of the Company's Operation. Hence, considering this, Management has prepared Financial Statements on a "Going Concern" basis. Our Conclusion on statement is not modified in respect of this matter.

7. We did not review the interim financial results of the above mentioned Subsidiary included in the consolidated unaudited financial results, whose interim financial results reflects total revenues, total net profit after tax and total comprehensive income for the quarter and half year ended 30th September, 2020 as under

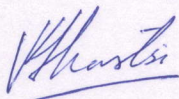
Particulars	Quarter Ended 30th September, 2020 (Rs. In Lacs)	Six months ended 30th September, 2020 (Rs. In Lacs)
Total Revenues	NIL	NIL
Total Net profit/(Loss)	NIL	NIL
Total Comprehensive Income	NIL	NIL
Total Assets	2.40	2.40

This interim financial results have not been reviewed/audited by their auditors and we have relied on the information and explanations given to us by the management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on statements and information given by management and procedure performed by us as stated above

Our Conclusion on the statement is not modified in respect of above matter

UDIN No: **20042774AAAACV4699**

For **V.K.SHASTRI & CO.**
Chartered Accountants
(Firm's Registration No. 113325W)



(CA V.K.SHASTRI)
Proprietor/ M.No.042774



Date : 11.11.2020
Place - Vadodara