



# RAJKUMAR FORGE LTD.

Regd. Office : " Shivprasad", 18, Shivaji Co-op. Housing Society, Off Senapati Bapat Road, Pune - 411016, India.  
Tel: + 91(20) 25639050/51/52 Fax: + 91(20) 25639049 E-mail : sales@rkforge.in, info@rkforge.in

CIN No. L28910PN1990PLC056985



By Fax: (022) 22723121/3719/2037

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Ref: SEC/BMN/BSE/2016

Date: 13<sup>th</sup> May, 2016

To  
Corporate Relationship Department, DCS  
The Bombay Stock Exchange Ltd,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

Dear Sir,

**Subject : Submission of Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2016**

We are enclosing:-

1. Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2016
2. Independent Auditors Report on Audited Financial Results for 31<sup>st</sup> March, 2016 given by Haribhakati and Co.LLP
3. Form A duly signed by Directors and Auditors of the Company

The above financial result have been reviewed by the Audit Committee in its meeting held on even date and have been approved by the Board of Directors of the Company in their meeting held on 13<sup>th</sup> May, 2016 at the Registered Office of the Company.

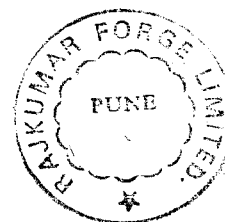
Thanking you,

FOR RAJKUMAR FORGE LIMITED

  
VIJAY.V.KULKARNI  
COMPANY SECRETARY

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RAJKUMAR FORGE LIMITED					
18, Shivaji Co-op, Housing Society, Off Senapati Bapat Road, Pune-411016					
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 ST MARCH 2016					
(Rs. in Lacs)					
Particulars	Quarter Ended			Year Ended	
	3 Months ended 31/03/2016	3 Months ended 31/12/2015	3 Months ended 31/03/2015	31/03/2016	31/03/2015
	Audited	Un -Audited	Un -Audited	Audited	Audited
<b>1. Income from Operations</b>					
a) Net Sales/ Income from Operations (Net of excise duty)	120.75	240.93	462.52	1,024.17	2,388.68
b) Other Operating Income	124.62	19.62	52.22	209.48	277.58
<b>Total Income from Operations (net)</b>	<b>245.37</b>	<b>260.55</b>	<b>514.74</b>	<b>1,233.65</b>	<b>2,666.26</b>
<b>2. Expenses:</b>					
a) Cost of material consumed	86.76	(39.14)	166.13	291.38	729.77
b) Purchase of stock -in-trade	-	-	-	-	-
c) Changes in inventories of finished goods ,work in progress and stock in trade	(61.65)	133.89	24.23	22.61	361.98
d) Employee benefits expense	71.66	67.80	82.65	282.00	313.88
e) Depreciation and amortisation expense	39.50	27.34	10.35	121.01	104.49
f) Consumption of fuel	34.94	26.66	118.78	248.68	475.65
g) Other Expenses	82.60	90.06	130.02	411.39	634.73
<b>Total Expenses</b>	<b>253.81</b>	<b>306.61</b>	<b>532.16</b>	<b>1,377.07</b>	<b>2,820.50</b>
<b>3) Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)</b>	<b>(8.44)</b>	<b>(46.06)</b>	<b>(17.42)</b>	<b>(143.42)</b>	<b>45.76</b>
4. Other Income	20.41	(18.14)	20.05	88.60	149.78
<b>5. Profit / ( Loss) from ordinary activities before finance costs and exceptional items ( 3+4)</b>	<b>11.97</b>	<b>(64.20)</b>	<b>2.63</b>	<b>(54.82)</b>	<b>195.54</b>
6) Finance Cost	17.48	18.11	(41.05)	99.49	18.04
<b>7) Profit/ Loss from ordinary activities after finance cost but before exceptional items (5-6)</b>	<b>(5.51)</b>	<b>(82.31)</b>	<b>43.68</b>	<b>(154.31)</b>	<b>177.50</b>
8 Exceptional Items	-	-	-	-	-
<b>9. Profit /Loss from ordinary activities before tax (7+8)</b>	<b>(5.51)</b>	<b>(82.31)</b>	<b>43.68</b>	<b>(154.31)</b>	<b>177.50</b>
10) Tax expense	0.16	(30.36)	(15.80)	(42.28)	149.91
<b>11) Net Profit /(Loss) from ordinary activities after tax (9+10)</b>	<b>(5.67)</b>	<b>(51.95)</b>	<b>59.48</b>	<b>(112.03)</b>	<b>27.59</b>
12 Extraordinary Items ( net of tax expense)	-	-	-	-	78.48
<b>13. Net Profit/ (Loss) for the period ( 11+12)</b>	<b>(5.67)</b>	<b>(51.95)</b>	<b>59.48</b>	<b>(112.03)</b>	<b>106.07</b>
14. Share of Profit /(Loss) of associates	-	-	-	-	-
15. Minority Interest	-	-	-	-	-
<b>16 Net Profit /( Loss) after taxes, minority interest and share of profit /(Loss) of associate( 13+14+15)</b>	<b>(5.67)</b>	<b>(51.95)</b>	<b>59.48</b>	<b>(112.03)</b>	<b>106.07</b>
17. Paid up equity share capital (Face value of Rs.10 each)	1,093.94	1,093.94	1,093.94	1,093.94	1,093.94
18. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year.	1,249.09	1,254.75	1,361.12	1,249.09	1,361.12
19. Earnings per share (EPS) - Basic / Diluted					
i before extraordinary items (of Rs.10/- each) (not annualized)	(0.05)	(0.47)	0.54	(1.02)	0.97
ii after extra ordinary items (of Rs.10/- each) (not annualised)	(0.05)	(0.47)	0.54	(1.02)	0.97



FOR RAJKUMAR FORGE LIMITED

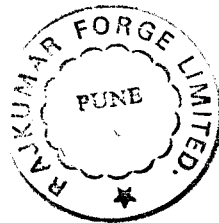
Managing Director

**RAJKUMAR FORGE LIMITED**  
Balance Sheet as at March 31, 2016

(Rs. in Lacs)

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Particulars	As at March 31, 2016	As at March 31, 2015
<b>Equity and liabilities</b>		
<b>Shareholder's Funds</b>		
Share capital	1,093.94	1,093.94
Reserves and surplus	1,249.09	1,361.12
	<b>2,343.03</b>	<b>2,455.06</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	-	2.08
Deferred tax liabilities (Net)	45.24	55.42
Other long term liabilities	0.20	0.20
Long term provisions	63.40	62.87
	<b>108.84</b>	<b>120.57</b>
<b>Current Liabilities</b>		
Short-term borrowings	659.81	1,005.93
Trade payables	82.41	321.65
Other current liabilities	131.81	78.17
Short-term provisions	34.68	16.67
	<b>908.71</b>	<b>1,422.41</b>
<b>Total</b>	<b>3,360.58</b>	<b>3,998.04</b>
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Fixed assets</b>		
Tangible assets	1,430.33	1,455.79
Intangible assets	4.18	4.58
Capital work-in-progress	537.37	491.31
Long term loans and advances	40.75	38.47
Other non-current assets	125.00	125.00
	<b>2,137.62</b>	<b>2,115.14</b>
<b>Current assets</b>		
Inventories	457.35	475.84
Trade receivables	297.21	469.10
Cash and bank balance	51.22	302.29
Short-term loans and advances	98.62	206.30
Other current assets	318.57	429.37
	<b>1,222.95</b>	<b>1,882.90</b>
<b>Total</b>	<b>3,360.58</b>	<b>3,998.04</b>



FOR RAJKUMAR FORGE LTD.

*(Signature)*  
Managing Director

**Notes:-**

1. The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 13 th May, 2016.
2. In accordance with the requirements of the Accounting Standard 17 "Segment Reporting", the Company's business consists of one reportable primary business segment i.e., "Open Die Forging" hence no separate disclosures pertaining to attributable Revenue, Profits, Assets, Liability, Capital Employed are given.
3. Extra ordinary item of Rs 78.48 lacs for the year ended March 31, 2015 represented profit on sale of land, which was unusable and not required for the operations of the Company in foreseeable future.
4. The Company had entered into a gas supply agreement with Maharashtra Natural Gas Limited ("MNGL") effective June 24, 2013 for a period of 5 years. As per the terms of agreement, the Company is liable to pay MNGL for the Minimum Guaranteed Offtake (MGO), in case of shortfall in quantity purchased as compared to the specified Annual Contracted Quantity. The Company has received a letter dated September 15, 2015 from MNGL, demanding an amount of Rs 197.98 lacs in respect of MGO obligation for the calendar year 2014. The Company is under discussion with MNGL, requesting re-consideration of the same, because of the overall recession in oil and gas sector, which has resulted in significant decline in level of operations of the Company as compared to the budgets. Based on such discussions with MNGL executives, the management is hopeful of obtaining favorable view.
5. The figures of the quarter ended March 31st are the balancing figures between the audited figures in respect of the full financial year and published year to date figures for the third quarter of the relevant financial year.
6. The figures of the previous year / period have been regrouped/ reclassified wherever necessary.

Place: Pune

Date: May 13, 2016

For RAJANMAR FORGE LIMITED

  
R.S. KOTHAVALE

MANAGING DIRECTOR



## INDEPENDENT AUDITOR'S REPORT

To the Members of Rajkumar Forge Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Rajkumar Forge Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone® Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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Chartered Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 its loss and its cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to Note 28 to the financial statements which describe the uncertainty related to the outcome of "Minimum Guaranteed Offtake" claim of Rs 197.98 lacs filed on the Company by Maharashtra Natural Gas Limited.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

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



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g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 28 on Contingent Liabilities of the financial statements;

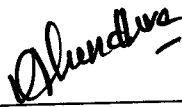
(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W



Anup Mundhra

Partner

Membership No.061083

Date : May 13, 2016

Place : Pune



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## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Rajkumar Forge Limited on the financial statements for the year ended March 31, 2016]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, except for quantitative details of furniture and fixtures, which is under updation.
- (b) During the year, the fixed assets of the Company have been physically verified by the management, except for furniture and fixtures whose quantitative details in fixed assets register is under updation and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory (excluding stocks lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.





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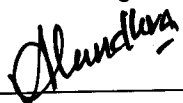
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- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and government. The Company do not have any outstanding dues to financial institution and debenture holder.
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) Based on the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W



Anup Mundhra

Partner

Membership No.061083

Place: Pune

Date: May 13, 2016



## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Rajkumar Forge Limited on the financial statements for the year ended March 31, 2016]

### Para 1 - Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Rajkumar Forge Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Para 2 - Management's Responsibility for Internal Financial Controls

The Company's management 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.

### Para 3 - Auditors' 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



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## Para 4 - 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

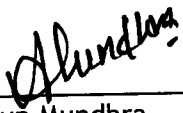
## Para 5 - Inherent Limitations of Internal Financial Controls Over Financial Reporting

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.

## Para 6- Opinion

In our opinion, 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, 2016, 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 ICAI.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W

  
Anup Mundhra  
Partner  
Membership No. 061083



Place: Pune  
Date: May 13, 2016

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FORM A

(Pursuant to revised Listing Agreement entered into with Bombay Stock Exchange)

1	Name of the Company	Rajkumar Forge Limited
2	Annual Financial Statement for the year ended	31'st March 2016
3	Type of Audit Observation	Unqualified — Matter of Emphasis <i>Om</i>
4	Frequency of observation	Not applicable

FOR HARIBHAKTI AND CO ,LLP



ANUP MUNDRA  
PARTNER  
MEMBERSHIP NO 061083

May 13, 2016

Pune

FOR RAJKUMAR FORGE LIMITED



R.S.KOTHAVALA  
DIN NO 00146524



SWASTIK SIRSIKAR  
DIN 00146524



VIJAY.V.KULKARNI  
COMPANY SECRETARY  
MEMBERSHIP NO A20665

