



**A. K. SINGHA & CO.**

*Chartered Accountants*

15, Kripanath Lane,  
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## **Independent Auditor's Report**

To the Members of

**Ramkrishna Forgings Limited (Parent Company of Ramkrishna Forgings LLC, USA)**

### **Report on the Audit of the Standalone Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying standalone Ind AS financial statements of Ramkrishna Forgings LLC, USA ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. This audit has been conducted by us solely for the purposes mentioned in the paragraph 'Other Matters' given below.

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, as amended ("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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The management and the Board of Directors of Ramkrishna Forgings Limited, the Parent Company, is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management for the Standalone Ind AS Financial Statements**

The management and the Board of Directors of Parent Company is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements of the Company that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's 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 a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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





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- 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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 for the financial year ended March 31, 2023 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, 2020 ("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 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) Provisions prescribed in Section 164(2) of the Act in relation to management representation regarding disqualification of directors is not applicable to the Company;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V to the Act is not applicable to the Company as no managerial remuneration is paid during the year ended March 31, 2023;
  - (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 does not have any pending litigation on its financial position in its standalone Ind AS financial statements as at the year-end;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. The provisions relating to transferring amounts, required to be transferred, to the Investor Education and Protection Fund is not applicable to the Company.
    - iv. To the best of our knowledge and belief, the Company, (either as a Funding Party or Intermediary), (i) has not advanced or loaned or invested any fund (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") or (ii) has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





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- v. Based on such audit procedures, as we considered appropriate, nothing has come to our notice that has caused us to believe the management representation as disclosed in note X referred to in paragraph (iv) above contain any material misstatement.
- vi. The Company has not declared or paid any dividend during the year.
- vii. The Company has used SAP ERP software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

## Other Matter

This financial statement has been prepared only to enable Ramkrishna Forgings Limited (Parent Company) to prepare its consolidated financial statements and this is not the statutory financial statement of the Company.

## Restriction On Use

This report is intended solely for the information and use of the management of the Company, management of Ramkrishna Forgings Limited (Parent Company) and the statutory auditors of the Parent Company for the purpose set out in paragraph Other Matter above. We do not accept or assume any liability or duty of care for any other purpose or to any third parties to whom this report is shown, or into whose hands it may come, save where expressly agreed by our prior consent in writing.

## For A K Singha & Co.

Chartered Accountants

ICAI Firm registration number: 327119E

per Ashim Kumar Singha

Proprietor

Membership No.: 056029

UDIN: 23056029BGYBBW7278

Place: Kolkata

Date: 20.04.2023





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**Annexure 1 referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our even report on the even date on the standalone Ind AS financial statements of Ramkrishna Forgings LLC, USA**

- i. The Company does not have any property, plant and equipment and as such, the provisions of this clause are not applicable.
- ii. (a) The inventory of stock in trade has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies valued 10% or more in the aggregate for each class of inventory were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.  
  
(b) As disclosed in note 19(ii) to the standalone Ind AS financial statements, during the year, the Company has been sanctioned uncommitted secured revolving credit facility in excess of Rs.5 crores from a bank on the basis of security of current assets of the Company. Based on the records examined by us in the course of audit of the financial statements, the quarterly returns for value of inventory and trade receivables as submitted to the bank are in agreement with the books of account of the Company.
- iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv. This clause is not applicable to the Company since no loan, investment, guarantee or security given during the year.
- v. This is clause is not applicable as the Company has not accepted any deposit in the nature of loans and advances during the year.
- vi. This clause is not applicable since statutory provisions regarding maintenance of cost records are not applicable to the Company.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including income tax and state tax applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, state tax and other statutory dues 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 explanations given to us, there is no dues of income tax, state tax and other statutory dues on account of dispute during the year.
- viii. This clause is not applicable to the Company since it domiciles in foreign country.





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- ix. This clause is not applicable to the Company since no loan, borrowing or any fund is taken from bank, financial institution, any entity or person or on pledge of any security during the year.
- x. This clause is not applicable to the Company as no money is raised by way of initial or further public offer including debt instrument or preferential allotment or private placement of shares or convertible debentures during the year.
- xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) Reporting of fraud under section 143(12) of the Act is not applicable to the Company.
- (c) To the best of our knowledge and according to the information and explanations given by the management, the Company has not received any whistle-blower complaint during the year.
- xii. This clause is not applicable to the Company since it is not a nidhi company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with the provisions of applicable accounting standards and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the said accounting standards.
- xiv. (a) According to the information and explanations given by the management, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.
- (b) In view of (a) above, the requirement of consideration of internal audit report by the statutory auditors does not arise.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with any director of the parent company or any person connected with him.
- xvi. This clause is not applicable as the provisions of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. This clause is not applicable to the Company since the requirement for appointment of statutory auditors does not apply to it.





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- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. This clause is not applicable since the Company since the provisions of section 135 of the Act is not applicable to it.
- xxi. The clause is not applicable, since this is a report of a component auditor.

**For A K Singha & Co.**

Chartered Accountants

ICAI Firm registration number: 327119E

per Ashim Kumar Singha

**Proprietor**

Membership No.: 056029

UDIN: 23056029BGYBBW7278



Place: Kolkata

Date: 20.04.2023





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**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RAMKRISHNA FORGINGS LLC, USA**

**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 with reference to standalone reporting of Ramkrishna Forgings LLC, USA ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. This audit has been conducted by us solely for the purposes mentioned in the paragraph 'Other Matters' given below.

**Management's Responsibility for Internal Financial Controls**

The Company's management including the management of Ramkrishna Forgings Limited, the Parent Company, 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 the 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 with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, 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 with reference to these standalone Ind AS financial statements 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with reference to these standalone financial statements**

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements 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 standalone Ind AS 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 standalone Ind AS financial statements.

**Inherent limitations of Internal Financial Controls Over Financial Reporting with reference to these standalone financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.





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### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2023, 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.

### **Other Matter**

This financial statement has been prepared only to enable Ramkrishna Forgings Limited (Parent Company) to prepare its consolidated financial statements and this is not the statutory financial statement of the Company.

### **Restriction On Use**

This report is intended solely for the information and use of the management of the Company, management of Ramkrishna Forgings Limited (Parent Company) and the statutory auditors of the Parent Company for the purpose set out in paragraph Other Matter above. We do not accept or assume any liability or duty of care for any other purpose or to any third parties to whom this report is shown, or into whose hands it may come, save where expressly agreed by our prior consent in writing.

### **For A K Singha & Co.**

Chartered Accountants

ICAI Firm registration number: 327119E

per Ashim Kumar Singha

**Proprietor**

Membership No.: 056029

UDIN: 23056029BGYBBW7278

Place: Kolkata

Date: 20.04.2023



RAMKRISHNA FORGINGS LLC, USA  
(A Subsidiary of Ramkrishna Forgings Limited)

Balance Sheet as at March 31, 2023

(All amounts in '000, unless otherwise stated)

Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>		
<b>Current assets</b>		
(a) Inventories	4,20,348.98	4,04,573.11
(b) Financial assets		
i. Trade receivable	3,49,682.37	2,26,374.44
ii. Cash and cash equivalents	34,180.40	44,146.92
(c) Current tax assets (net)	70.58	-
<b>Total current assets</b>	<b>8,04,282.33</b>	<b>6,75,094.47</b>
<b>TOTAL ASSETS</b>	<b>8,04,282.33</b>	<b>6,75,094.47</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	747.00	747.00
(b) Other equity	27,603.81	12,187.25
<b>TOTAL EQUITY</b>	<b>28,350.81</b>	<b>12,934.25</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
<b>(a) Financial Liabilities</b>		
i. Borrowings	1,64,340.00	-
ii. Trade payables		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,11,237.79	6,61,887.04
(b) Current tax liabilities (net)	353.73	273.18
<b>Total current liabilities</b>	<b>7,75,931.52</b>	<b>6,62,160.22</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>8,04,282.33</b>	<b>6,75,094.47</b>
<b>Significant Accounting Policies</b>	2	

The accompanying notes form an integral part of these standalone financial statements

As per our report of the even date

For and on behalf of  
Ramkrishna Forgings LLC

For A K Singha & Co.,  
ICAI Firm Registration No. 327119E  
Chartered Accountants



Ashim Kumar Singha  
Proprietor  
Membership No. 056029



Place: Kolkata  
Date: April 20, 2023



( Naresh Jalan )  
Director  
DIN: 00375462



( Lalit Kumar Khetan )  
Director  
DIN: 00533671

Statement of Profit and Loss Account for the year ended March 31, 2023

(All amounts in '000, unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from Operations	12	13,39,682.55	6,33,037.71
<b>Total income (i)</b>		<b>13,39,682.55</b>	<b>6,33,037.71</b>
<b>Expenses</b>			
Changes in inventories of stock in trade	13	17,854.85	(3,00,407.14)
Purchase of Traded Goods		12,66,589.91	9,01,701.74
Finance Cost		7,208.36	-
Other Expenses	14	29,922.41	18,513.73
<b>Total expenses (ii)</b>		<b>13,21,575.53</b>	<b>6,19,808.33</b>
<b>Profit before tax (iii = i - ii)</b>		<b>18,107.02</b>	<b>13,229.38</b>
<b>Tax expenses</b>			
- Pertaining to Profit for the current year		3,802.25	2,778.17
- Tax adjustments for earlier year		12.05	-
- Deferred tax charge		-	-
<b>Total tax expenses (iv)</b>		<b>3,814.30</b>	<b>2,778.17</b>
<b>Profit for the year (v = iii - iv)</b>		<b>14,292.72</b>	<b>10,451.21</b>
<b>Other Comprehensive Income:</b>			
i) Exchange differences on translating operations due to net investment in foreign operations and/or where presentation currency is different from functional currency		1,422.58	263.58
ii) Income tax effect on above		(298.74)	(55.35)
<b>Other Comprehensive Income: (vi)</b>		<b>1,123.84</b>	<b>208.23</b>
<b>Total Comprehensive Income for the period (vii = v + vi)</b>		<b>15,416.56</b>	<b>10,659.44</b>
<b>Earnings per equity share (for continuing operation) -</b>			
(Face value ₹74.70 per share (March 31, 2022 : ₹74.70 per share))	15		
1) Basic		1,429.27	1,045.12
2) Diluted		1,429.27	1,045.12

**Significant Accounting Policies**

2

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For and on behalf of  
Ramkrishna Forgings LLC

For A K Singha & Co.,  
ICAI Firm Registration No. 327119E  
Chartered Accountants



Ashim Kumar Singha  
Proprietor  
Membership No. 056029




( Naresh Jalan )  
Director  
DIN: 00375462



( Lalit Kumar Khetan )  
Director  
DIN: 00533671

Place: Kolkata  
Date: April 20, 2023

Statement of Cash Flows for the year ended March 31, 2023

(All amounts in, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
NET PROFIT BEFORE TAXES	18,107.02	13,229.38
Adjustments to reconcile profit before tax to net cash flows:		
Finance Costs	7,208.36	-
<b>Operating Profit before changes in operating assets and liabilities</b>	<b>25,315.38</b>	<b>13,229.38</b>
<b>Changes in operating assets and liabilities:</b>		
(Increase) in trade receivables	(1,42,356.06)	(1,73,724.55)
(Increase) in inventories	(49,818.33)	(3,12,591.37)
Decrease in trade payables	5,044.69	5,16,439.22
<b>Cash generated from operations</b>	<b>(1,61,814.32)</b>	<b>43,352.68</b>
Direct Tax paid	(5,283.84)	(2,404.82)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(1,67,098.16)</b>	<b>40,947.86</b>
<b>B. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(7,208.36)	-
Short Term Borrowings	1,64,340.00	-
<b>NET CASH OUTFLOW FROM FINANCING ACTIVITIES (B)</b>	<b>1,57,131.64</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B)</b>	<b>(9,966.52)</b>	<b>40,947.86</b>
Opening Cash and cash equivalents	44,146.92	3,199.06
Closing Cash and cash equivalents	34,180.40	44,146.92
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(9,966.52)</b>	<b>40,947.86</b>

Notes:

a) Cash and Cash Equivalents include:	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents:		
i) Cash in hand	-	-
ii) Balances with banks		
- On Current Accounts	34,180	44,147
<b>Cash and Cash Equivalents</b>	<b>34,180</b>	<b>44,147</b>

Significant Accounting Policies

2

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For and on behalf of  
Ramkrishna Forgings LLC

For A K Singha & Co.,  
ICAI Firm Registration No. 327119E  
Chartered Accountants



Ashim Kumar Singha  
Proprietor  
Membership No. 056029




( Naresh Jalan )  
Director  
DIN: 00375462



( Lalit Kumar Khetan )  
Director  
DIN: 00533671

Place: Kolkata  
Date: April 20, 2023

Standalone Statement of Changes in Equity for the year ended March 31, 2023.

(All amounts in '000, unless otherwise stated)

**A Equity Share Capital**

Particulars	Balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at September 30, 2022
Equity Share of ₹ 74.70 (\$ 1.00 = ₹ 74.70) each issued, subscribed and fully paid	7,47,000	-	7,47,000
Equity Share in numbers	10,000	-	10,000

Particulars	Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2022
Equity Share of ₹ 74.70 (\$ 1.00 = ₹ 74.70) each issued, subscribed and fully paid	7,47,000	-	-	-	7,47,000
Equity Share in numbers	10,000	-	-	-	10,000

**B Other Equity**

Particulars	Reserves and Surplus	Exchange differences on translating the financial statements of a foreign operation (net of taxes)	Total
	Retained earnings		
<b>Balance as at April 1, 2022</b>	12,018.83	168.42	12,187.25
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	12,018.83	168.42	12,187.25
Total Comprehensive Income for the current year	14,292.72	1,123.84	15,415.56
<b>Balance as at March 31, 2023</b>	<b>26,311.55</b>	<b>1,292.25</b>	<b>27,603.81</b>
<b>Balance as at April 1, 2021</b>	1,567.63	(39.82)	1,527.81
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	1,567.63	(39.82)	1,527.81
Total Comprehensive Income for the current year	10,451.21	208.23	10,659.44
<b>Balance as at March 31, 2022</b>	<b>12,018.83</b>	<b>168.42</b>	<b>12,187.25</b>

**Significant Accounting Policies**

2

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For and on behalf of  
Ramkrishna Forgings LLC

For A K Singha & Co.,  
ICAI Firm Registration No. 327119E  
Chartered Accountants

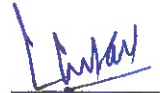


**Ashim Kumar Singha**  
Proprietor  
Membership No. 056029

Place: Kolkata  
Date: April 20, 2023




( Naresh Jalan )  
Director  
DIN: 00375462



( Lalit Kumar Khetan )  
Director  
DIN: 00533671

## 1. Company Overview

Ramkrishna Forgings LLC, USA ("the Company") is a Limited Liability Company domiciled in the USA and incorporated under the provisions of the laws applicable in the USA. Its shares are not listed on any Stock Exchange in that country. The registered office of the Company is located at 919, North Market Street Suite – 950, Wilmington, ZIP Code – 19801, USA

The Company is primarily engaged in importing and sale of forged components of automobiles, railway wagons & coach and engineering parts. The Company presently import and procure all traded goods from its holding company Ramkrishna Forgings Limited ("RKFL"), a public company registered in India.

These standalone financial statements were approved and authorised for issue by the management of RKFL on April 20, 2023.

## 2. Basis of Preparation of Financial Statements and Significant Accounting Policies

### 2.1 Basis of Preparation of financial statements and compliance with Indian Accounting Standards "Ind-AS"

These standalone financial statements comply in all material respects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the 'Act'), Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. These standards and policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a going concern basis under historical cost convention and on accrual method of accounting, except for certain financial assets / liabilities measured at fair value as described in accounting policies regarding financial instruments. The financial statements are presented in INR which is the Company's functional and presentation currency and all values are rounded to the nearest Rupees (INR), except when otherwise indicated.

### 2.2 Current v/s Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer settlement of the liability beyond at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### 2.3 Summary of Significant Accounting Policies

#### a. Revenue Recognition

Revenue from contracts with customers is recognised 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. Revenue is measured at the fair value of the consideration





received or receivable, net of returns, discounts, volume rebates, goods and applicable taxes. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor as it has pricing latitude and is also exposed to inventory and credit risks.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made and specific criteria have been met for each of the Company's activities as described below.

#### Sale of Products

Revenue from sale of products is recognized when the Company transfers the control of goods to the customer as per the terms of contract. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any).

#### 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 a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

#### b. Inventories

Inventories of stock in trade identified on First In First Out (FIFO) method are valued at the lower of cost and net realisable value after providing for obsolescence, if any. Costs include cost of procurement and that incurred in bringing the traded goods to its present location and conditions.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

#### 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.

#### Financial Assets

##### Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate. For financial assets and financial liabilities at fair value through profit or loss, directly attributable transaction costs are immediately recognised in the Statement of Profit and Loss.

##### Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)



i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates the right to received cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (refer note 18 for further details). Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates the right to received cash flows that are solely payments of principal and interest on the principal amount outstanding. On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

De-recognition:

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized i.e., removed from the Company's Balance Sheet when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



On Derecognition of a financial asset [except as mentioned in (ii) above for financial assets measured at FVTOCI] difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. How the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by IndAS109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Financial Liabilities**

**Initial recognition and measurement:**

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate. For financial liabilities at fair value through profit or loss, directly attributable transaction costs are immediately recognised in the Statement of Profit and Loss.

**Subsequent measurement:**

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

**Derecognition:**

A financial liability is derecognized 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 derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

**d. Fair Value Measurement**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities



Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

e. Foreign Currency Transactions and Balances

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e., Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Measurement of foreign currency items at reporting date:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and the year-end restatement are recognised in profit and loss.

f. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current Income tax:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred income tax is provided, using the Balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit/ loss nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Presentation of current and deferred tax:

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against



current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

g. Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

h. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks where the original maturity is 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.

i. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

j. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders are divided with the weighted average number of shares outstanding during the year after adjustment for the effects of all dilutive potential equity shares.

3. Change in accounting policies and disclosures

There has been no change in accounting policies and disclosures effected in the financial statement for the year March 31, 2023.



Notes to the financial statements as at and for the year ended March 31, 2023

(All amounts in '000, unless otherwise stated)

4. Inventories

(Valued at lower of cost and net realisable value)

Stock in trade  
Total

As at March 31, 2023	As at March 31, 2022
4,20,348.98	4,04,573.11
<u>4,20,348.98</u>	<u>4,04,573.11</u>

5. Trade receivables (At amortised cost)

Unsecured - Considered good

Total

As at March 31, 2023	As at March 31, 2022
3,49,682.37	2,26,374.44
<u>3,49,682.37</u>	<u>2,26,374.44</u>

Trade receivables Ageing Schedule

Particulars	Outstanding from due date of payment as on March 31, 2023						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>							
Considered good	2,81,861.45	67,820.92	-	-	-	-	3,49,682.37
Which have significant increase in credit risk							
Credit impaired							
<b>Disputed</b>							
Considered good							
Which have significant increase in credit risk							
Credit impaired							
Less: Loss allowance							
<b>Total</b>	<b>2,81,861.45</b>	<b>67,820.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,49,682.37</b>

Particulars	Outstanding from due date of payment as on March 31, 2022						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>							
Considered good	2,26,374.44	-	-	-	-	-	2,26,374.44
Which have significant increase in credit risk							
Credit impaired							
<b>Disputed</b>							
Considered good							
Which have significant increase in credit risk							
Credit impaired							
Less: Loss allowance							
<b>Total</b>	<b>2,26,374.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,26,374.44</b>

6. a) Cash and Cash Equivalents:

i) Cash on hand  
ii) Balances with banks  
- On Current Accounts

Cash and Cash Equivalents

As at March 31, 2023	As at March 31, 2022
-	-
34,180.40	44,146.92
<u>34,180.40</u>	<u>44,146.92</u>

7. Current Tax Assets / liabilities (Net):

a) Current tax assets (Net)

b) Current tax liabilities (net) (inclusive of Other Comprehensive Income (OCI))

As at March 31, 2023	As at March 31, 2022
70.58	-
353.73	273.18

8. Equity share capital

Issued, subscribed and fully paid-up  
Equity shares of ₹ 74.70 each

Number of shares	
As at March 31, 2023	As at March 31, 2022
10,000	10,000

As at March 31, 2023	As at March 31, 2022
747.00	747.00
<u>747.00</u>	<u>747.00</u>

Shares held by Promoters

Ramkrishna Forgings Limited (Holding Company)  
Percent of Total Shares  
Percent change during the year

As at March 31, 2023	As at March 31, 2022
10,000	10,000
100%	100%
NIL	NIL

9. Other equity

i. Reserves and Surplus (Refer note a)

ii. Other Comprehensive Income (Refer note b)

As at March 31, 2023	As at March 31, 2022
26,311.55	12,018.83
1,292.26	168.42
<u>27,603.81</u>	<u>12,187.25</u>



*Handwritten signature*

Notes to the financial statements as at and for the year ended March 31, 2023

(All amounts in '000, unless otherwise stated)

a) Retained earnings

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	12,018.83	1,567.63
Add: For the year	14,292.72	10,451.21
	<u>26,311.55</u>	<u>12,018.83</u>

(Retained Earnings are the profits and gains that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.)

b) Other Comprehensive Income

Exchange differences on translating the financial statements of a foreign operation (net of taxes)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	168.42	(39.82)
Add: For the year	1,123.84	208.23
	<u>1,292.26</u>	<u>168.42</u>

10. Borrowings

Working Capital facilities:

Secured

Repayable on demand :

From banks

- Working Capital Demand / Short Term Loans

(Effective interest rate 4.39% p.a., Repayable by September 08, 2023 and secured by exclusive first charge on all of the present and future current assets and corporate guarantee of Ramkrishna Forgings Limited, India, the holding company)

	As at March 31, 2023	As at March 31, 2022
	1,64,340.00	-
	<u>1,64,340.00</u>	<u>-</u>

11. Trade payables (At amortised cost)

Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at March 31, 2023	As at March 31, 2022
Total	6,11,237.79	6,61,887.04
	<u>6,11,237.79</u>	<u>6,61,887.04</u>

Trade Payables Ageing Schedule

Particulars	Outstanding as on March 31, 2023 from due date of payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	66,584.68	5,44,653.11	-	-	-	6,11,237.79
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>66,584.68</b>	<b>5,44,653.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,11,237.79</b>

Particulars	Outstanding as on March 31, 2022 from due date of payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,81,028.94	2,80,858.10	-	-	-	6,61,887.04
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>3,81,028.94</b>	<b>2,80,858.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,61,887.04</b>

12. Revenue from operations

Sale of traded goods

	For the year ended March 31, 2023	For the year ended March 31, 2022
	13,39,682.55	6,33,037.71
	<u>13,39,682.55</u>	<u>6,33,037.71</u>

13. Changes in inventories of stock in trade

Inventory at the beginning of the year

Inventory at the end of the year

Add: Foreign currency translation adjustment

	For the year ended March 31, 2023	For the year ended March 31, 2022
	4,04,573.11	95,485.21
	4,20,348.98	4,04,573.11
	<u>(15,775.87)</u>	<u>(3,09,087.89)</u>
	33,630.72	8,680.76
	<u>17,854.85</u>	<u>(3,00,407.14)</u>

14. Other Expenses

Legal & Professional fees

Bank Charges

Insurance Charges

Rent

Miscellaneous expenses

Rates & taxes

	For the year ended March 31, 2023	For the year ended March 31, 2022
	759.81	143.80
	597.56	76.00
	494.76	651.50
	26,712.11	16,819.97
	281.11	-
	1,077.06	822.46
	<u>29,922.41</u>	<u>18,513.73</u>

15. Earnings per equity share (EPS)

Numerator for basic and diluted EPS

Net profit after tax attributable to shareholders

Denominator for basic EPS

- Weighted average number of equity shares for basic EPS

Denominator for diluted EPS

- Weighted average number of equity shares for diluted EPS

	For the year ended March 31, 2023	For the year ended March 31, 2022
	14,292.72	10,451.21
	10,000.00	10,000.00
	10,000.00	10,000.00

Basic earnings per share of face value of ₹ 74.70/- each (in ₹)

Diluted earnings per share of face value of ₹ 74.70/- each (in ₹)

(A)	14,292.72	10,451.21
(B)	10,000.00	10,000.00
(C)	10,000.00	10,000.00
(A/B)	1,429.27	1,045.12
(A/C)	1,429.27	1,045.12



*[Handwritten signature]*

Notes to the financial statements as at and for the year ended March 31, 2023

(All amounts in '000, unless otherwise stated)

16. Related Party Disclosures:  
Related parties where control exists :

i. Holding Company : Ramkrishna Forgings Limited., India

SI No.	Name of the Related Party	Relationship	Nature of transactions	Transaction		Outstanding as at	
				Amount for the year ended	Outstanding as at	Amount for the year ended	Outstanding as at
				March 31, 2023		March 31, 2022	
i.	Ramkrishna Forgings Limited., India	Holding Company	Purchase trade goods	12,66,589.91	-	9,01,701.74	-
			Investment in equity share	-	747.00	-	747.00
			Trade payable	-	6,04,322.69	-	6,56,085.43

17. Financial Risk Management

In course of its business, the company is exposed to a number of financial risk viz. credit risk and liquidity risk.

**Credit risk**

Credit risk refers to a risk that the counter party will default on its contractual obligations resulting in financial loss to the company. Credit risk arises on liquid assets, non-current financial assets, derivative assets, trade and other receivables. The company does not have any of above assets and hence it is not exposed to any credit risk. In respect of cash and cash equivalent, the said amount is in current account with scheduled bank where chances of default are minimum, The maximum exposure of credit risk is equal to the carrying amount of the company's financial assets.

**Liquidity Risk**

Liquidity Risk is the risk company may encounter difficulties in meeting its obligation associated with financial liabilities that are settled with delivering cash or other financial assets. The company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements.

18. Fair value measurements

**Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

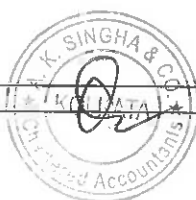
The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as decided below:

- Level - 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level - 2 - inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level - 3 - inputs are unobservable inputs for the asset or liability.

Fair value measurement hierarchy-

Particulars	March 31, 2023			
	Level of inputs used in Level 1	Level of inputs used in Level 2	Level of inputs used in Level 3	Total Amount
<b>Financial assets</b>				
<b>At Amortised Cost</b>				
Trade receivable	3,49,682	-	-	3,49,682
Cash and cash equivalents	34,180	-	-	34,180
<b>Total financial assets</b>	<b>3,83,863</b>	<b>-</b>	<b>-</b>	<b>3,83,863</b>
<b>Financial liabilities</b>				
<b>At Amortised Cost</b>				
Borrowings	1,64,340	-	-	1,64,340
Trade payable	6,11,238	-	-	6,11,238
<b>Total financial liabilities</b>	<b>7,75,578</b>	<b>-</b>	<b>-</b>	<b>7,75,578</b>

Particulars	March 31, 2022			
	Level of inputs used in Level 1	Level of inputs used in Level 2	Level of inputs used in Level 3	Total Amount
<b>Financial assets</b>				
<b>At Amortised Cost</b>				
Trade receivable	2,26,374	-	-	2,26,374
Cash and cash equivalents	44,147	-	-	44,147
<b>Total financial assets</b>	<b>2,70,521</b>	<b>-</b>	<b>-</b>	<b>2,70,521</b>
<b>Financial liabilities</b>				
<b>At Amortised Cost</b>				
Trade payable	6,61,887	-	-	6,61,887
<b>Total financial liabilities</b>	<b>6,61,887</b>	<b>-</b>	<b>-</b>	<b>6,61,887</b>



*[Handwritten signature]*



Notes to the financial statements as at and for the year ended March 31, 2023

(All amounts in '000, unless otherwise stated)

**Fair valuation method and assumptions :**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions are used to estimate the fair values -

i) The company has classified the entire financial assets and liabilities as level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

**19 Additional Regulatory Information**

**i. Ratio analysis**

Ratio	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for variance (more than 25%)
Current Ratio (in times)	Total current assets	Total current liabilities	1.04	1.02	1.96%	-
Debt-Equity Ratio (in times)	Debt consists of borrowings	Total Equity	5.80	-	Not Applicable	-
Debt service coverage ratio (in times)	Earning for Debt Services = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt Service = Interest payments + Principal repayments	2.98	-	Not Applicable	-
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	0.69	1.40	-50.71%	Due to lower realisation of price
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.65	4.51	3.10%	
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	1.99	2.22	-10.36%	
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	47.25	48.94	-3.45%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.01	0.02	-50.00%	Due to lower realisation of price
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + deferred tax liabilities	0.89	1.02	-12.75%	
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	-	-	-	-

ii. During the year, company has been sanction uncommitted secured revolving credit facility of Rs. 164340.00 (\$ 2,000.00) on the basis of security of current assets of the company. The quarterly returns for value of inventory and trade receivable as submitted to the lender are in agreement with the book of accounts.

20 As the company has not employed any employee during the year under audit, as such no employee benefits are payable under any statute or otherwise and as such the disclosure requirements under Ind AS - 19 are not applicable.

21 The company has only one segment i.e. forgings segment and hence there are no additional disclosure required to be made under Ind AS-108 " Segment Reporting".

22 Figures of the previous year has been regrouped / rearranged to confirm current period's presentation.

**As per our report of even date**

For A K Singha & Co.,  
ICAI Firm Registration No. 327119E  
Chartered Accountants



Ashim Kumar Singha  
Proprietor  
Membership No. 056029



Place: Kolkata  
Date: April 20, 2023

For and on behalf of  
Ramkrishna Forgings LLC



( Naresh Jalan )  
Director  
DIN: 00375462



( Lalit Kumar Khetan )  
Director  
DIN: 00533671

