

RAJKUMAR FORGE LIMITED

FIFTEENTH ANNUAL REPORT 2004-2005

BALANCE SHEET AS AT 31ST MARCH 2005

	Schedule	Rupees	Year Ended As at 31-Mar-2005 Rupees	Rupees	Year Ended As at 31-Mar-2004 Rupees
SOURCES OF FUNDS					
Shareholders Funds					
Equity Share Capital	A		109,394,000		109,394,000
Preference Capital			5,000,000		5,000,000
Reserves and Surplus	B		3,000,000		3,000,000
Loan Funds					
Secured Loans	C	40,791,451		83,172,394	
Unsecured Loans	D	19,103,581		19,103,581	
			59,895,032		102,275,975
Deferred Tax (Refer Notes Point No. 22)			20,787,153		20,787,153
	Total		<u>198,076,185</u>		<u>240,457,128</u>
APPLICATION OF FUNDS					
Fixed Assets	E				
Gross Block		139,108,475		139,108,475	
Less : Depreciation		76,816,500		70,462,234	
Net Block			62,291,976		68,646,241
CURRENT ASSETS, LOANS AND ADVANCES					
Inventory	F	60,031,622		30,895,423	
Sundry Debtors		34,158,621		31,040,009	
Cash and Bank Balances		2,124,751		2,095,148	
Loans and Advances		15,404,267		12,008,668	
		111,719,261		76,039,247	
LESS : CURRENT LIABILITIES AND PROVISION					
Current Liabilities	G	35,402,213		20,917,747	
Provisions		1,926,176		1,314,501	
		37,328,389		22,232,248	
Net Current Assets			74,390,872		53,807,000
DEFERRED TAX ADJUSTMENTS					
a Deferred Tax Assets		25,165,331		20,270,934	
b Less : Deferred Tax Liabilities		18,885,625		20,568,340	
Net Deferred Tax Assets			6,279,706		(297,406)
Profit and Loss Account			55,113,630		118,301,293
	Total		<u>198,076,185</u>		<u>240,457,128</u>

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2005

	Schedule	Rupees	For the period 31-Mar-2005 Rupees	Rupees	For the period 31-Mar-2004 Rupees
INCOME					
Sales	H	163,798,781		107,905,217	
Labour Charges		6,793,050		4,130,097	
Other Income	I	6,256,827		1,471,679	
	Total		176,848,658		113,506,993
EXPENDITURE					
Materials and Manufacturing Expenses	J	119,467,010		82,147,689	
Payments to and Provision for Employees	K	6,891,730		5,687,315	
Sales, Administration and Other Expenses	L	24,041,965		6,972,176	
Interest and Finance Charges	M	8,080,790		3,692,289	
Depreciation		6,354,266		6,355,677	
	Total		164,835,761		104,855,146
Profit / (Loss) for the period		12,012,897		8,651,847	
Prior period adjustments		(114,004)		0	
Profit/(Loss) Before Tax		11,898,893		8,651,847	
Less : Provision for Tax		0		0	
Deferred Tax Provision		6,577,112		(133,281)	
Net Profit / (Loss) for the period		18,476,005		8,518,566	
Institution Interest Written Back		44,711,658		0	
Loss Brought Forward From Previous Year		118,301,294		126,819,859	
Loss Carried Forward to Balance Sheet			55,113,630		118,301,293
Notes forming part of Accounts	N				

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As At 31.03.2005 Rupees	For the period 31.03.2004 Rupees
Schedule A - Share Capital		
Authorised :		
1,25,00,000 Equity Shares of Rs. 10/- each (P Y : 1,25,00,000 Shares of Rs. 10/- each)	125,00,000	125,00,000
7,50,000 4% Pref. Shares of Rs. 10/- each (P Y : 7,50,000 Shares of Rs. 10/- each)	7,50,000	7,50,000
Total	<u><u>132,50,000</u></u>	<u><u>132,50,000</u></u>
Issued, Subscribed and Paid-up :		
1,09,39,400 (P Y : 1,09,39,400) Equity Shares of Rs. 10/- each, fully paid-up	109,394,000	109,394,000
5,00,000 (P Y : 5,00,000) 4% Preference of Rs. 10/- each, fully paid-up	5,00,000	5,00,000
Total	<u><u>114,394,000</u></u>	<u><u>114,394,000</u></u>
Schedule 8 - Reserves and Surplus		
State Government Subsidy	3,00,000	3,00,000
Total	<u><u>3,00,000</u></u>	<u><u>3,00,000</u></u>
Schedule C - Secured Loans		
From Financial Institutions		
Rupee Term Loan (Due within a year : 12,560,000/- Previous year : Rs. 21,225,000/-)	12,560,000	21,225,000
Funded interest loans (Due within a year : Rs. NIL Previous year : Rs. 1,25,32,258/-)	0	12,532,258
Interest Accrued and Due	0	32,179,400
From Bank		
On Cash credit account	28,231,451	17,235,736
Total	<u><u>40,791,451</u></u>	<u><u>83,172,394</u></u>
Schedule D - Unsecured Loans		
Sales Tax Deferral Loan	19,103,581	19,103,581
Total	<u><u>19,103,581</u></u>	<u><u>19,103,581</u></u>

Schedule E - Fixed Assets

Sr. No.	PARTICULARS	WDV. 01-Apr-2004	ADDITIONS 2004-2005	DELETIONS 2004-2005	GROSS 31-Mar-2005	GROSS DEPR. 01-Apr-2004	ADDITIONS 2004-2005	DELETIONS 2004-2005	GROSS DEPR. 31-Mar-2005	WDV. 31-Mar-2005	WDV. 31-Mar-2004
A	Land	1,756,504	0	0	1,756,504	0	0	0	0	1,756,504	1,756,504
B	Buildings	10,003,849	0	0	10,003,849	3,163,912	326,612	0	3,490,524	6,513,325	6,839,937
C	Plant and Machinery	126,362,199	0	0	126,362,199	66,529,609	5,980,892	0	72,510,501	53,851,698	59,832,590
D	Furniture & Fixture	418,435	0	0	418,435	341,990	18,662	0	360,652	57,783	76,445
E	Vehicles	567,488	0	0	567,488	426,723	28,100	0	454,823	112,665	140,765
	TOTAL	139,108,476	0	0	139,108,476	70,462,234	6,354,266	0	76,816,500	62,291,976	68,646,241

RAJKUMAR FORGE LIMITED

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SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As At 31.03.2005 Rupees	As At 31.03.2004 Rupees
Schedule F - Current Assets, Loans and Advances		
Inventory (At Cost or Net Realisable Value, Whichever is low and as certified by the Management)		
Raw Materials	15,514,272	11,064,589
Work-In-Progress	43,947,565	19,601,602
Finished Goods	0	0
Consumables	569,785	229,232
Total	60,031,622	30,895,423
Sundry Debtors (Unsecured, Considered Good)		
Debts outstanding for a period		
- Exceeding six months	8,366,705	11,546,527
- Other Debts	32,623,976	19,493,482
- Reserve For Doubtful Debts	(6,832,060)	0
Total	34,158,621	31,040,009
Cash and Bank Balances		
Cash and Cheques on Hand	35,261	19,292
Balances with Banks (In Current Accounts with Scheduled Banks)	14,963	25,129
Fixed Deposit - Marg Money with Bank	2,074,527	2,050,727
Total	2,124,751	2,095,148
Loans and Advances		
Advances recoverable in cash or in kind or for value to be received	14,377,868	11,087,967
Deposits	816,820	821,820
Bills Receivables	0	0
Advance Payment of Taxes	209,579	98,881
Total	15,404,267	12,008,668
Schedule G - Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors (including due to a Director Rs. Nil P.Y. Rs. 991/-)	28,662,299	18,080,661
Advances from Customers	4,415,160	1,028,437
Other Liabilities	2,324,754	1,808,649
	35,402,213	20,917,747
Provisions	1,926,176	1,314,501
Total	37,328,389	22,232,248
Schedule H - Sales		
Sales of Forgings	42,470,442	44,619,501
DEPB-Sales	5,147,948	4,335,417
DEPB-Provision Sales	3,904,396	3,777,937
Excise Duty Collected -Forgings	5,641,025	6,241,706
Export Sales	107,094,981	48,930,657
	164,258,792	107,905,217
Discount Allowed On Sales	460,011	0
Gross Sales	164,258,792	107,905,217
	163,798,781	107,905,217
Net Sales	163,798,781	107,905,217
Schedule I - Other Income		
Sale of Scrap	3,856,242	1,365,430
Exchange Gain & Loss	2,290,521	0
Misc. Income & Other Interest	110,064	106,249
Total	6,256,827	1,471,679

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCCOUNTS

	Rupees	As At 31.03.2005 Rupees	Rupees	As At 31.03.2004 Rupees
Schedule J - Materials and Manufacturing Expenses				
Materials Consumption :				
Opening Stock - Raw Materials	11,064,589		5,699,441	
ADD : Purchases	94,146,607		49,327,831	
	<u>105,211,196</u>		<u>55,027,272</u>	
LESS : Closing Stock - Raw Materials	15,514,272		11,064,589	
		<u>89,696,924</u>		<u>43,962,683</u>
Inventory Change				
Closing Inventories :				
Finished Goods	0		0	
Work in Progress	43,947,565		19,601,602	
Sub - Total....A	<u>43,947,565</u>		<u>19,601,602</u>	
Opening Inventories :				
Finished Goods	0		0	
Work in Progress	19,601,602		20,109,925	
Sub - Total.....B	<u>19,601,602</u>		<u>20,109,925</u>	
Inventory Change ...B minus A		<u>(24,345,963)</u>		<u>508,323</u>
Sub Total				
		<u>65,350,961</u>		<u>44,471,006</u>
Manufacturing Expenses :				
Fuel charges	25,734,080		17,247,654	
Power Charges	5,419,219		5,469,920	
Machining Charges	8,796,739		4,164,424	
Maintenance Charges Plant & Mach	2,612,678		385,369	
Excise Duty Paid	6,019,114		6,526,205	
Freight Charges	2,910,438		2,411,056	
Other Manufacturing Expenses	2,623,781		1,472,056	
		<u>54,116,049</u>		<u>37,676,683</u>
Total				
		<u>119,467,010</u>		<u>82,147,689</u>
Schedule K - Payment to and Provision for Employees				
Salaries Wages, and Allowances	5,046,944		4,273,591	
Contribution to provident & other funds	905,703		736,206	
Welfare Expenses	939,083		677,518	
Total				
		<u>6,891,730</u>		<u>5,687,315</u>
Schedule L - Sales, Administration and Other expenses				
Sales Commissions	0		290,213	
Other Selling and Administration Expenses	19,624,844		4,230,157	
Postage, Telephone & Telex	475,231		444,808	
Advertisement & Publicity	29,605		42,256	
Travelling and Conveyance Expenses	2,933,354		1,064,486	
Rent Paid	357,874		369,736	
Insurance Charges	595,057		510,520	
Directors Sitting Fees	26,000		20,000	
Total				
		<u>24,041,965</u>		<u>6,972,176</u>
Schedule M - Interest and Finance Charges				
Interest on Term Loans	4,329,610		0	
Interest on Working Capital	2,492,107		2,996,245	
Bank Charges Paid	1,259,073		696,045	
Total				
		<u>8,080,790</u>		<u>3,692,289</u>