



## Kalyani Forge Limited

KOREGAON BHIMA, -412 216, TEHSIL SIRUR DIST. PUNE.  
☎ : (02137) 252335, 252755, 252757 FAX : (02137) 252344 / 252756.  
www.kalyaniforge.co.in



KFL/SEC/BM/2023-24

May 30, 2023

To,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001  
Scrip Code: 513509

To,  
National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
Symbol: KALYANIFRG

### Sub: Outcome of Board Meeting

Dear Sir,

Please find the enclosed herewith Audited Financial Result for quarter & financial year ended 31<sup>st</sup> March 2023 along with Audit report reviewed by Audit Committee and approved by Board of Directors at their Meeting held on May 30, 2023.

Kindly take the information on records and oblige.

Thanking you,  
For Kalyani Forge Limited

  
Aniruddha Hublikar  
Company Secretary &  
Compliance Officer





## Kalyani Forge Limited

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☎ : (02137) 252335, 252755, 252757 FAX : (02137) 252344 / 252756.  
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KALYANI FORGE LTD  
REGISTERED TO  
ISO/TS : 16949 : 2002  
FILE NUMBER : A10090 01

To

BOMBAY STOCK EXCHANGE LIMITED,  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Fort,  
Mumbai-400001  
Scrip Code: 513509

NATIONAL STOCK EXCHANGE OF INDIA LIMITED,  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai-400051  
Symbol: KALYANIFRG

Scrip Code: 513509

SUB: Outcome of Board Meeting held on 30.05.2023

Pursuant to Regulation 30, we wish to intimate your esteemed exchange that the Board of Directors of the Kalyani Forge Limited in its meeting commenced at 03:00 p.m. and concluded at 8:00 p.m. has approved the following:-

- As required under Regulation 33 (3) (a) of SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, please find enclosed herewith Audited Financial Result for quarter & financial year ended 31<sup>st</sup> March 2023 along with Audit report of Statutory Auditors.

The aforesaid result, duly reviewed by the Audit Committee have been approved and taken on record together with Audit report by Board of Directors at its meeting which commenced at 03:00 p.m. and concluded at 8:00 p.m.

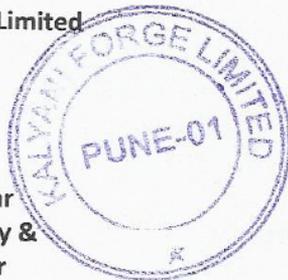
- The Board of Directors has recommended dividend for the current year of Rs. 3.00/- per equity share i.e. 30% per share (nominal value Rs. 10/- per equity share) subject to approval of members at the ensuing Annual General Meeting of the Company.

Thanking you,  
Yours Faithfully,  
For Kalyani Forge Limited

Aniruddha Hublikar  
Company Secretary &  
Compliance Officer

Date: 30.05.2023

Place: Pune.



REGD OFFICE: Shangrila Gardens, 1st Floor, 'C' Wing, Opp. Bund Garden, Pune: 411001  
CIN: L28910MH1979PLC020959

# F-7, Laxmi Mills  
Shakti Mills Lane (Off Dr E Moses Rd)  
Mahalaxmi, Mumbai - 400 011 India  
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Fax : 91 22 6655 1774  
Grams : VERIFY  
www.KSAiyar.com  
Mail@KSAiyar.com

**Independent Auditors' Report on Financial Results of Kalyani Forge Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.**

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**To the Board of Directors;  
Kalyani Forge Limited.**

**Qualified Opinion**

1. We have audited the accompanying statement of financial results ('the Statement') of Kalyani Forge Limited ('the Company') for the quarter and year ended on March 31, 2023, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), read with SEBI Circular No. Circular No. CIR/CFD/CMD1/80/2019 dated July 19, 2019.
  - a. In our opinion and to the best of our information and according to the explanations given to us, the Statement is presented in accordance with the requirements of Regulations 33 of the Listing Regulations; read with SEBI Circular No. Circular No. CIR/CFD/CMD1/80/2019 dated July 19, 2019 and
  - b. In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matters described in the 'Basis for Qualified opinion' section of our report*, the aforesaid financial results give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the net profit and total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

**Basis for Qualified Opinion**

1. The Company is in the process of updating inventory records in Materials Module (MM Module) of SAP ERP system and refining its stock valuation process by updating the standard rates of material, labour and overheads based on the current prevailing rates and relevant data. Presently, the inventories have been valued as per the values as appearing in Finance Module (FI Module) of SAP ERP which is not matching with the Materials Module (MM Module) of SAP ERP. As the said process is not completed as at year end, consequential financial impact, if any, arising on updating of the inventory records and its valuation will have to be given in the books of accounts after its completion. Management has carried out a physical verification of inventory as at 31st March, 2023 and discrepancies of Rs.641.37 Lakhs (Net of provision already made as per management estimate and judgement) have been observed by management.
2. Trade Receivables include certain old and disputed receivables of Rs.641.33 Lakhs.

Offices also at 1  
Chennai Kolkata  
Bengaluru Coimbatore Hyderabad

3. In our opinion, except for consequences of (i) Company not having a CFO during the last quarter (CFO has resigned on 6<sup>th</sup> of January, 2023); (ii) the required accounting staff; (iii) the possible effects of the matters described in the Qualified Opinion Paragraph above on these Financial Results, and (iv) related weaknesses in internal control systems over financial reporting, in our opinion, the Company has in all material respects, an adequate internal financial controls system with reference to financial results and such internal financial controls with reference to financial results were operating effectively as at 31st March 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of Reporting issued by the Institute of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Chartered Accountants of India.

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA" s) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

#### **Management's Responsibilities for the Financial Results**

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related annual financial statements and quarterly results of the Company. The Company's Board of Directors are responsible for the preparation and presentation of the Financial Results that give a true and fair view of the net profit/(loss) and other comprehensive income and other financial information in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

#### **Auditor's Responsibilities for the Audit of the Financial Results**

3. Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole is 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 this Financial Results.

# K. S. AIYAR & CO

CHARTERED ACCOUNTANTS

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

- Identify and assess the risks of material misstatement of the Financial Results, 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 controls 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 results in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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 Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

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.

**Other Matters**

4. The figures for the quarter ended March 31, 2023 as reported in the Statement are the balancing figures in respect of the year ended audited figures of March 31, 2023 and published year to date figures up to the end of the third quarter of the relevant financial year which were reviewed by us and were not subjected to audit.

**For K. S. Aiyar & Co**  
Chartered Accountants  
ICAI FRN: 100186W

RAJESH  
SHASHIKANT JOSHI

Digitally signed by RAJESH  
SHASHIKANT JOSHI  
Date: 2023.05.30 19:18:25  
+05'30'

**Rajesh S. Joshi**

Partner

M. No. 038526

UDIN: 23038526BGWQDH8002

Place: Mumbai

Date: May 30, 2023

**KALYANI FORGE LIMITED**

Regd. Office : Shangrila Gardens, "C" Wing,  
1st Floor, Opp.Bund Garden, Pune - 411 001  
CIN - L28910MH1979PLC020959  
TS 16949 & QS 9000 ACCREDITED COMPANY

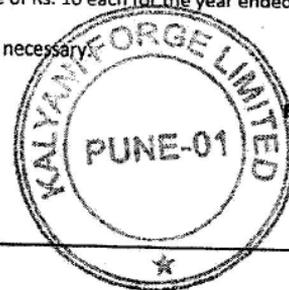
**Audited Financial Results For the Quarter and year Ended 31.03.2023**

₹ in lakh

Sr No	Particulars	Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Audited	Unaudited	Audited	Audited	Audited
<b>I</b>	<b>Income</b>					
	Revenue from operations	6,441.60	7,008.20	6,639.81	26,667.38	24,650.2
	Other Income	189.66	136.25	82.23	698.73	131.6
	<b>Total Income (I)</b>	<b>6,631.26</b>	<b>7,144.45</b>	<b>6,722.04</b>	<b>27,366.11</b>	<b>24,781.8</b>
<b>II</b>	<b>EXPENSES</b>					
	(a) Cost of raw materials and components consumed	3,702.04	4,077.40	3,365.46	15,778.58	13,106.4
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(174.19)	(210.96)	168.79	(866.13)	144.7
	(c) Employee benefit expense	849.74	985.02	892.89	3,675.58	3,523.8
	(d) Finance Cost	98.42	109.98	106.20	337.16	362.7
	(e) Depreciation and amortisation expense	250.25	265.19	304.24	1,119.14	1,234.2
	(f) Manufacturing Expenses	1,236.43	1,347.18	1,201.25	5,165.81	4,721.2
	(g) Other expenses	397.14	220.79	613.89	1,467.27	1,286.3
	<b>Total Expenses (II)</b>	<b>6,359.82</b>	<b>6,794.60</b>	<b>6,652.72</b>	<b>26,677.40</b>	<b>24,379.7</b>
	<b>Profit &amp; Loss Before Exceptional Items &amp; Tax (I)-(II)</b>	<b>271.43</b>	<b>349.85</b>	<b>69.32</b>	<b>688.70</b>	<b>402.1</b>
<b>III</b>	<b>Exceptional Items- Gains/ (Loss) (Ref Note 4)</b>				<b>182.07</b>	
	<b>Profit &amp; Loss Before Tax</b>	<b>271.43</b>	<b>349.85</b>	<b>69.32</b>	<b>506.63</b>	<b>402.1</b>
<b>IV</b>	<b>Tax Expense</b>					
	(a) Current tax	4.76	109.15	(21.89)	200.49	221.1
	(b) Deferred tax	190.66	(36.73)	14.75	(54.69)	(132.2)
	(c) Short / (Excess) provision for tax relating to prior years					
	<b>Total tax expense</b>	<b>195.42</b>	<b>72.42</b>	<b>(7.14)</b>	<b>145.80</b>	<b>88.8</b>
<b>V</b>	<b>Profit/(loss) after tax (III)-(IV)</b>	<b>76.01</b>	<b>277.43</b>	<b>76.46</b>	<b>360.84</b>	<b>313.2</b>
<b>VI</b>	<b>Other comprehensive income</b>					
	(i) Items that will not be recycled to profit or loss	(13.25)	5.49	2.46	3.22	21.9
	(ii) Income tax relating to items that will not be reclassified to profit or loss	3.69	(1.53)	(0.81)	(0.90)	(6.1)
	<b>Total other comprehensive income for the period</b>	<b>(9.56)</b>	<b>3.96</b>	<b>1.65</b>	<b>2.32</b>	<b>15.8</b>
<b>VII</b>	<b>Total comprehensive income for the period (V+VI)</b>	<b>66.45</b>	<b>281.39</b>	<b>78.11</b>	<b>363.16</b>	<b>329.1</b>
<b>VIII</b>	<b>Earnings per equity share :</b>					
	Basic (in ₹)	2.09	7.63	2.10	9.92	8.6
	Diluted (in ₹)	2.09	7.63	2.10	9.92	8.6

**Notes to Financial Results**

- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The above result for the Quarter ended 31.03.2023 have been reviewed by the Auditi committee & were approved by the Board of Directors at its meeting held on 30.05.2023
- The Company operates in a single segment, i.e., Forging; hence separate segment information is not given.
- Exceptional item includes VAT & CST paid along with interest and penalty under the Amnesty Scheme provided by the Government.
- The figures pertaining to quarter ended March 31, 2023 and March 31, 2022 are the derived figures between the audited amounts for the year ended March 31, 2023 and March 31, 2022 and unaudited amounts published for the nine months ended December 31, 2022 and December 31, 2021 respectively
- The Board of Directors has recommended a dividend of Rs. 3 per fully paid up ordinary share of Rs. 10 each for the year ended March 31, 2023.
- Previous quarters' / Six months' / year's figures have been regrouped / rearranged wherever necessary



FOR KALYANI FORGE LIMITED

*Rohini G. Kalyani*  
ROHINI G. KALYANI  
(DIN:00519565)

Place :Pune  
Date :30.05.2023

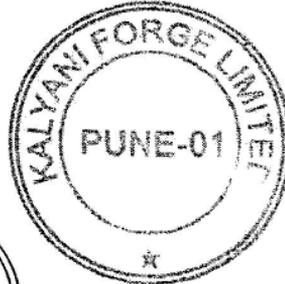




## Statement of Profit and Loss for the period ended 31.03.2023

₹ in Lakhs

Particulars	As at As at March 31, 2023	As at As at March 31, 2022
<b>Continuing Operations</b>		
<b>I Income</b>		
Revenue from operations	26,667.38	24,650.21
Other income	698.73	131.63
<b>Total Revenue (I)</b>	<b>27,366.11</b>	<b>24,781.84</b>
<b>II EXPENSES</b>		
(a) Cost of raw materials and components consumed	15,778.58	13,106.46
(b) Changes in inventories of finished goods, work-in-progress and stock	(866.13)	144.79
(c) Employee benefit expense	3,675.58	3,523.89
(d) Finance costs	337.16	362.70
(e) Depreciation and amortisation expense	1,119.14	1,234.24
(f) Other expenses	6,633.08	6,007.64
<b>Total Expenses (II)</b>	<b>26,677.40</b>	<b>24,379.72</b>
<b>III Profit/(loss) before exceptional items tax (I-II)</b>	<b>688.70</b>	<b>402.12</b>
<b>IV Exceptional items- Gains/ (Loss)</b>	<b>182.07</b>	<b>-</b>
<b>V Profit before tax (III-IV)</b>	<b>506.63</b>	<b>402.12</b>
<b>VI Tax Expense</b>		
(a) Current tax	200.49	221.11
(b) Deferred tax	(54.69)	(132.25)
<b>Total tax expense</b>	<b>145.80</b>	<b>88.86</b>
<b>VII Profit/(loss) after tax from continuing operations (V-VI)</b>	<b>360.84</b>	<b>313.26</b>
<b>VIII Discontinued Operations</b>		
(1) Profit/(loss) from discontinued operations	-	-
(2) Tax Expense of discontinued operations	-	-
<b>Profit/(loss) after tax from discontinued operations</b>	<b>-</b>	<b>-</b>
<b>IX Profit/(loss) for the period (VII+VIII)</b>	<b>360.84</b>	<b>313.26</b>
<b>X Other comprehensive income</b>		
<b>A (i) Items that will not be recycled to profit or loss</b>		
(a) Remeasurements of the defined benefit liabilities / (asset)	3.22	21.96
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.90)	(6.11)
<b>B (i) Items that may be reclassified to profit or loss</b>		
(ii) Income tax on items that may be reclassified to profit or loss	-	-
<b>Total other comprehensive income for the period</b>	<b>2.32</b>	<b>15.85</b>
<b>XI Total comprehensive income for the period (IX + X)</b>	<b>363.16</b>	<b>329.11</b>
<b>XII Earnings per equity share :</b>		
Basic	9.92	8.61
Diluted	9.92	8.61



FOR KALYANI FORGE LIMITED

 Rohini K. Kalyani  
 Executive Chairperson  
 (DIN:00519565)

Pune

Date: 30.05.2023





## Balance Sheet as at 31.03.2023

₹ in lakhs

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	1	3,912.04	4,393.90
(b) Capital work-in-progress	1(a)	310.76	230.93
(c) Other Intangible assets	2	-	0.32
(d) Investments	3	0.50	0.50
(e) Deferred tax assets (net)	4	416.29	361.60
(f) Income tax assets (net)	5	45.17	77.24
(g) Other non-current assets	6	222.99	396.41
<b>Total Non - Current Assets</b>		<b>4,907.76</b>	<b>5,460.91</b>
<b>2 Current assets</b>			
(a) Inventories	7	7,012.12	4,886.96
(b) Financial Assets			
(i) Trade receivables	8	7,635.55	7,281.73
(ii) Cash and cash equivalents	9	102.87	186.61
(iii) Other Bank Balances	10	443.56	303.15
(iv) Others current financial assets	11	9.72	6.38
(c) Other current assets	12	469.35	219.64
<b>Total Current Assets</b>		<b>15,673.15</b>	<b>12,884.47</b>
<b>Total Assets (1 + 2)</b>		<b>20,580.91</b>	<b>18,345.38</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	13	363.90	363.90
(b) Other Equity	14	10,183.96	9,929.94
<b>Total equity (I+II)</b>		<b>10,547.86</b>	<b>10,293.84</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
- Borrowings	15	89.20	8.60
(b) Provisions	16	661.09	647.22
<b>Total Non - Current Liabilities</b>		<b>750.29</b>	<b>655.82</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	3,730.05	2,597.76
(ii) Trade payables			
a. Dues of micro enterprises and small enterprises	18	199.84	302.89
b. Dues of creditors other than micro enterprises and small enterprises	18	4,024.15	3,135.07
(iii) Other current financial liabilities	19	661.94	572.57
(b) Provisions	20	216.08	229.88
(c) Other current liabilities	21	450.70	557.55
<b>Total Current Liabilities</b>		<b>9,282.76</b>	<b>7,395.72</b>
<b>Total Equity and Liabilities (1 + 2)</b>		<b>20,580.91</b>	<b>18,345.38</b>
		<b>0.00</b>	<b>0.0</b>

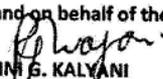
The attached notes 1 to 34 are an integral part of these financial statements

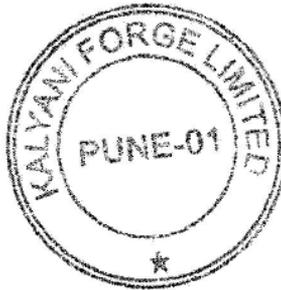
As per our attached report of even date.

Place :Pune

Date :30.05.2023

For and on behalf of the Board of Directors.

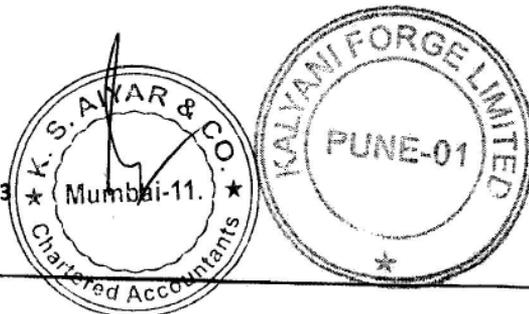
  
 ROHINI B. KALYANI  
 Executive Chairperson  
 (DIN:00519565)



## Cash Flow Statement As On 31.03.2023

	₹ in Lakhs	
	March 31, 2023	March 31, 2022
<b>A. CASH FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	506.63	402.12
Less: IND AS adjustments	(2.32)	(15.85)
Revised Profit before Taxation	<u>508.96</u>	<u>417.97</u>
Add: Depreciation	1,119.14	1,234.24
Bad Debts Written off	351.70	461.77
Provision for doubtful debts	-	-
Finance Cost	337.16	362.70
Sundry debit balances written off/Advances Written off	-	0.91
	<u>1,808.00</u>	<u>2,059.62</u>
	<u>2,316.96</u>	<u>2,477.59</u>
Less: Surplus on sale of assets during the year	(172.41)	(40.21)
Provision no longer required AND Others	(302.98)	(35.38)
	<u>(475.39)</u>	<u>(75.58)</u>
<b>Operating profit before working capital changes</b>	<b>1,841.57</b>	<b>2,402.00</b>
(Increase)/Decrease in Current & Non-Current Assets		
Inventories	(2,125.17)	(399.06)
Trade Receivables	(705.49)	(1,041.06)
Other Current Assets and Loans & Advances	(179.57)	400.73
Trade Payable	786.03	(126.86)
Increase/(Decrease) in Non-Current Liabilities	301.04	27.11
	<u>(1,923.16)</u>	<u>(1,139.14)</u>
Net cash generated from operations	<u>(81.59)</u>	<u>1,262.85</u>
Less: Income tax paid	168.41	150.69
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(250.00)</b>	<b>1,112.16</b>
<b>B. CASH FROM INVESTING ACTIVITIES</b>		
Expensed/Advance for Property, Plant and Equipment	(764.52)	(467.35)
Sale Proceeds of Assets	180.00	53.68
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(584.52)</b>	<b>(413.67)</b>
<b>C. CASH FROM FINANCING ACTIVITIES</b>		
Availment /(Repayment) In Cash Credit & PCFC from Ba	1,132.29	(12.06)
Availment /(Repayment) in Other Secured Loans	37.77	(71.25)
Interest & Finance Charges paid	(337.15)	(362.70)
Dividend paid (including out of unpaid dividend)	(82.13)	(76.12)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>750.78</b>	<b>(522.13)</b>
<b>NET INCREASE/(USE) OF CASH AND CASH EQUIVALENTS</b>	<b>(83.74)</b>	<b>176.35</b>
Opening Balances of Cash and Cash equivalents	186.61	10.26
Closing Balances of Cash and Cash equivalents	102.87	186.61

Place :Pune  
Date :30.05.2023



FOR KALYANI FORGE LIMITED

  
ROHINI G. KALYANI  
Executive Chairperson  
(DIN:00519565)

**ANNEXURE - 1**

**Statement on Impact of Audit Qualification (for audit report with modified opinion) submitted along with Annual Audited Financial Results - (Standalone and Consolidated separately)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [See Regulations 33 /52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.	Sl. No.	Particulars	Audited Figures (in lakhs)(as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	27,366.11	Not Applicable Refer Item II (d) below
	2	Total Expenditure	26,677.40	
	3	Net Profit / (Loss)	360.84	
	4	Earnings Per Share	9.92	
	5	Total Assets	20,580.91	
	6	Total Liabilities	10,033.05	
	7	Net Worth	10,547.86	
	8	Any other financial item(s) (as felt appropriate by the management)		
II.	<b>Audit Qualification (Each audit qualification separately)</b>			
	a.	Details of Audit Qualification:	<p>1. The Company is in the process of updating inventory records in Materials Module (MM Module) of SAP ERP system and refining its stock valuation process by updating the standard rates of material, labour and overheads based on the current prevailing rates and relevant data. Presently, the inventories have been valued as per the values as appearing in Finance Module (FI Module) of SAP ERP which is not matching with the Materials Module (MM Module) of SAP ERP. As the said process is not completed as at year end, consequential financial impact, if any, arising on updating of the inventory records and its valuation will have to be given in the books of accounts after its completion. Management has carried out a physical verification of inventory as at 31st March, 2023 and discrepancies of Rs.641.37 Lakhs (Net of provision already made as per management estimate and judgement) have been observed.</p> <p>2. Trade Receivables include certain old and disputed receivables of Rs.641.33 Lakhs.</p>	
	b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of Qualification : Whether appeared first time / repetitive / Since ho long continuing	First time	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i)	Management's estimation on the impact of audit qualification:	Not ascertainable	
	iii)	If management is unable to estimate the impact, reasons for the same:	<p><b>1. Management's views to Audit Qualification 1 of the Audit Report:</b> With reference to para 1 of that section, regarding Inventory Accounting, the company has completed a comprehensive inventory revaluation exercise, using updated rates for materials and overheads. This exercise increases the inventory value compared to the figures SAP (which have not been updated due to operational constraints) by at least Rs. 5 cr. The reflection of the results of this exercise in SAP will be completed by Q1 of FY24, to bring the records completely up to date and incorporating residual shortfall if any</p> <p><b>2. Management's views to Audit Qualification 2 of the Audit Report:</b> With reference to para 1 on receivables. In Q4 FY23, the company has written off bad debts of old dues of 8 major customer accounts amounting to Rs. 1.2 cr based on clear reconciliation exercises with its customers. It has utilized existing provisions taken during previous quarters of FY23 to give final effect and therefore improve the balance sheet with more current items. For one debtor accounts, the company has initiated legal recourse and has been advised that there is a strong case of recovery of those dues, this amounts to around Rs. 2.9 cr. The debtor in question has responded and admitted to their dues and asked for a settlement which is being pursued. For the remaining accounts, the company is in discussion with its customers and is on track for recovering and reconciling the dues. The overall ageing of overdue receivables therefore has significantly improved in Q4 FY23 and management is confident of recovery/settlement.</p>	

	(iii) Auditors' Comments on (i) or (ii) above:	No additional comments required.
III.	<p><b>Signatories:</b></p> <ul style="list-style-type: none"> <li>● Executive Chairperson <b>Rohini Gaurishankar Kalyani</b> Digitally signed by Rohini Gaurishankar Kalyani Date: 2023.05.30 18:27:51 +05'30'</li> <li>● CFO</li> <li>● Audit Committee Chairman <b>Abhijit Sen</b> Digitally signed by Abhijit Sen Date: 2023.05.30 18:50:06 +05'30'</li> <li>● Statutory Auditor <b>RAJESH SHASHIKANT JOSHI</b> Digitally signed by RAJESH SHASHIKANT JOSHI Date: 2023.05.30 18:50:06 +05'30'</li> </ul> <p>Place: Pune Date: 30th May, 2023</p>	