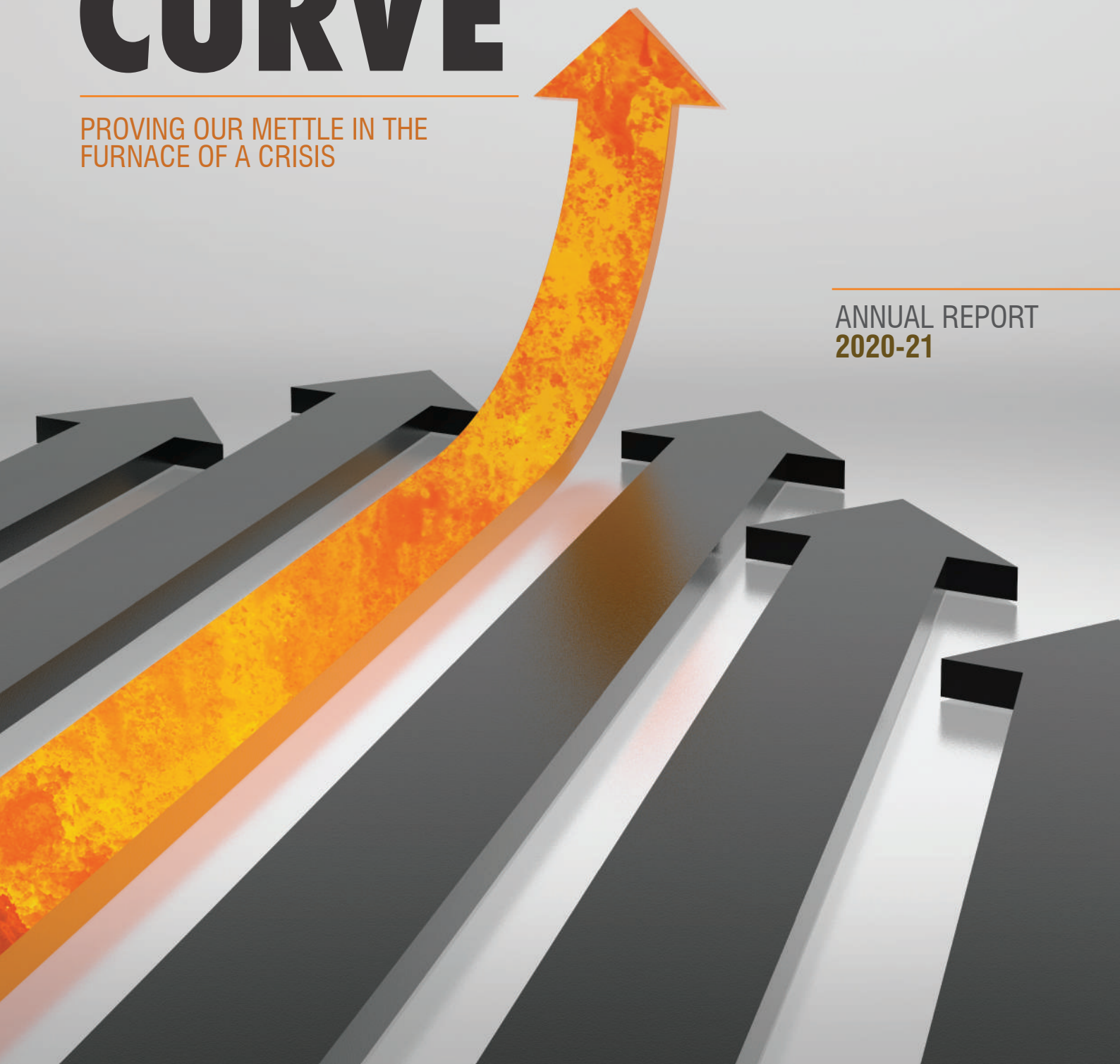


SCALING THE CURVE

PROVING OUR METTLE IN THE
FURNACE OF A CRISIS

ANNUAL REPORT
2020-21



CONTENTS

→ Corporate Overview

01-22

- | | | | |
|----|--|----|---|
| 01 | Scaling the Curve | 12 | Letter from the Managing Director |
| 02 | Progress in the past 5 years | 14 | World-Class Advisory Board |
| 04 | About Us | 15 | Promoters |
| 05 | The Journey So Far | 16 | Proactively Unveiling Opportunities |
| 06 | Geographical Presence | 18 | Instrumental in Transitioning the Market Mindset from Cost-consciousness to Value-consciousness |
| 07 | Key Strengths | 20 | Conviction in Core Competencies |
| 08 | At the Right Place at the Right Time with a Befitting Strategy | 22 | Corporate Information |
| 10 | Letter from the Chairman | | |

→ Statutory Reports

23-66

- | | | | |
|----|------------------------------------|----|--------------------------------|
| 23 | Management Discussion and Analysis | 51 | Report on Corporate Governance |
| 29 | Directors' Report | | |

→ Financial Statements

68-140

- | | | | |
|----|---------------------------------|-----|-----------------------------------|
| 68 | Standalone Financial Statements | 106 | Consolidated Financial Statements |
|----|---------------------------------|-----|-----------------------------------|

→ Notice

141-152

- | | |
|-----|--------|
| 141 | Notice |
|-----|--------|



For more details, please visit:
www.rammingmass.com

SCALING THE CURVE

PROVING OUR METTLE IN THE FURNACE OF A CRISIS

We are never satisfied with our achievements. We set a high benchmark, then achieve it and make it our norm. When that's done, we turn our sights to the next peak we aim to scale.

In our constant endeavour to achieve better, we have proved our mettle, time and again, setting and upholding standards in quality, research, customisation, service and pricing.

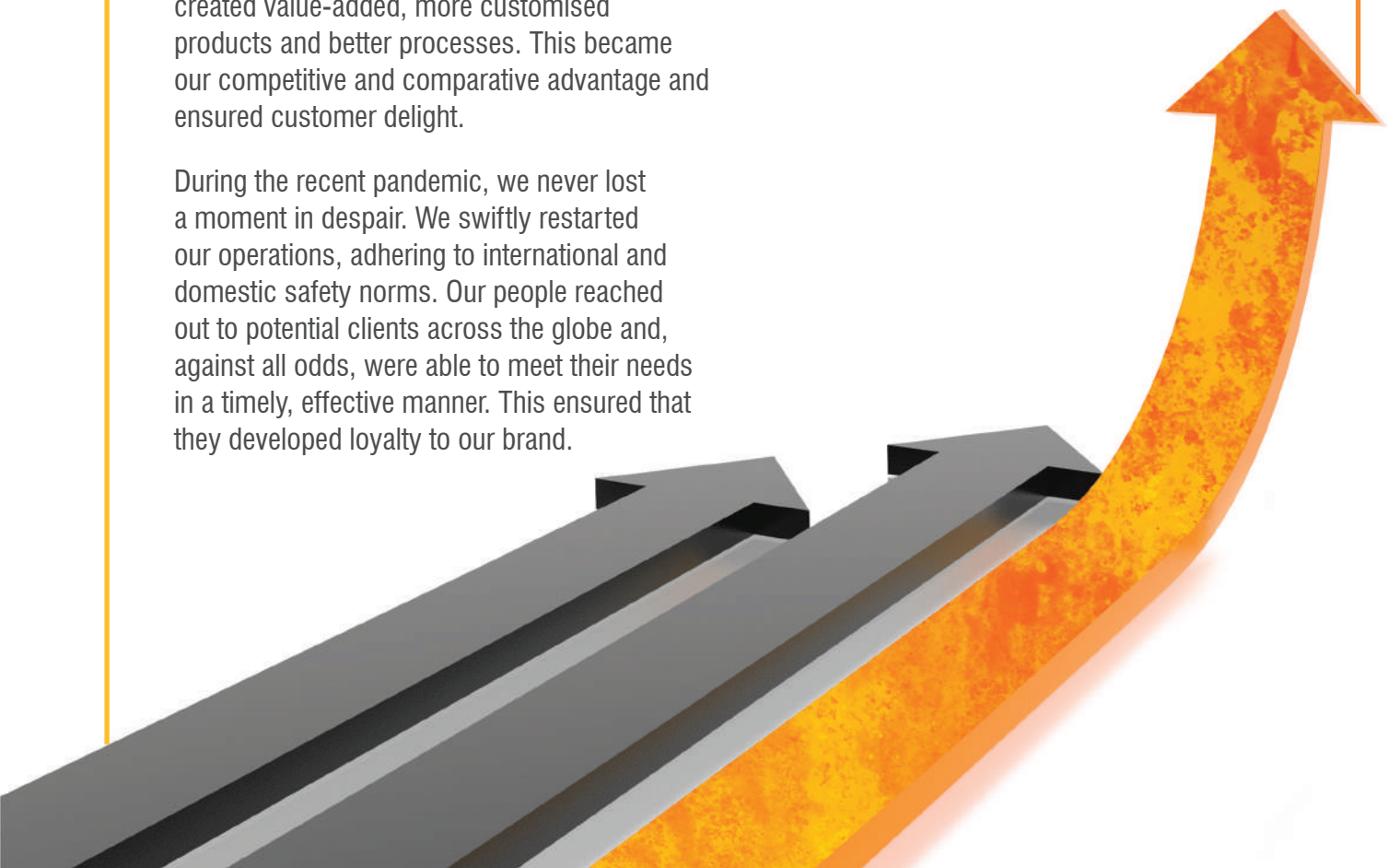
We commenced business with a product that was considered a low value-addition, geographically-restricted commodity. With relentless research and development, we created value-added, more customised products and better processes. This became our competitive and comparative advantage and ensured customer delight.

During the recent pandemic, we never lost a moment in despair. We swiftly restarted our operations, adhering to international and domestic safety norms. Our people reached out to potential clients across the globe and, against all odds, were able to meet their needs in a timely, effective manner. This ensured that they developed loyalty to our brand.

Our journey this far has been characterised by growth and efficiency for all stakeholders. We have been transforming ourselves and our entire business ecosystem, challenging the status quo, reaching for the unreachable. With innovation and strategy, ingenuity and resolve.

It has reached us to the 'Number 1' position in the world, in our industry.

Now, having proved our mettle, we look to scale further up the curve and reach for the unreachable. Once more.



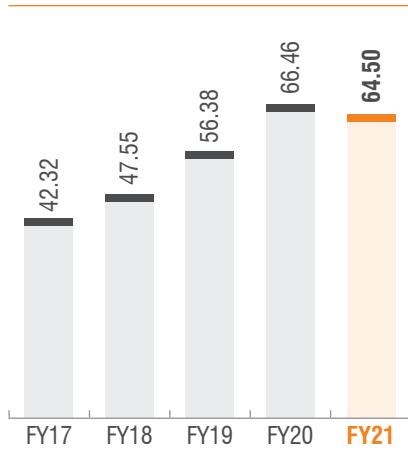


PROGRESS IN THE PAST 5 YEARS

FY 2020-21 will always be remembered as a watershed year, when the COVID-19 crisis crippled the world. We are grateful to our customers, employees and other stakeholders for enabling us to continue to prove our mettle, despite the adverse global and domestic scenario. However, the second half of the year witnessed a long-awaited upturn in the global steel cycle coupled with consolidation of ramming mass production in the hands of strong players leading to a performance that was better than the pre-COVID times.

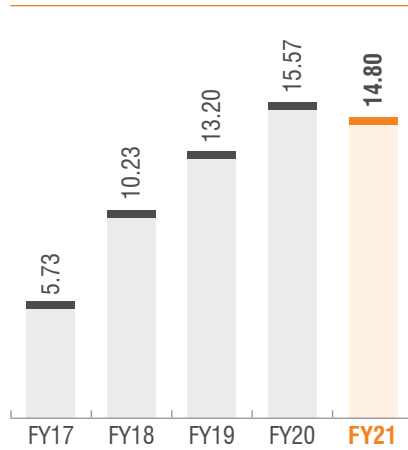
Revenues

(₹ in crore)



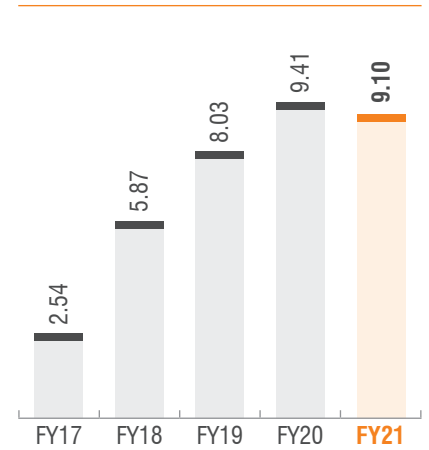
EBITDA

(₹ in crore)



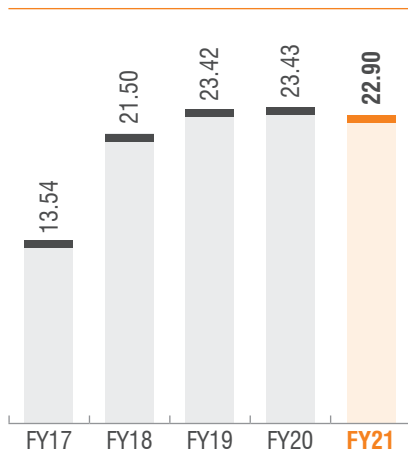
Net Profit

(₹ in crore)



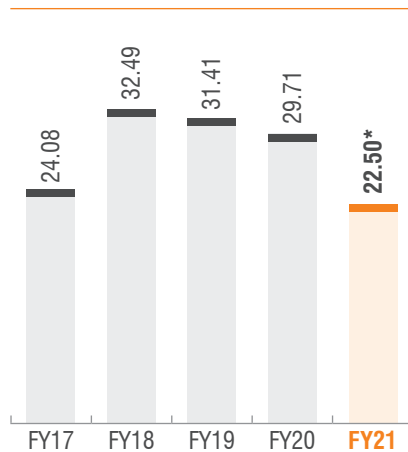
EBITDA Margin

(%)



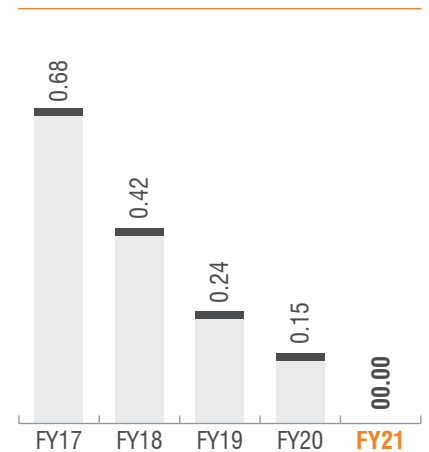
ROCE

(%)



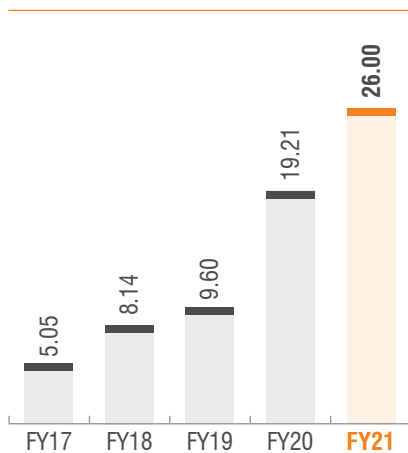
Gearing

(X)



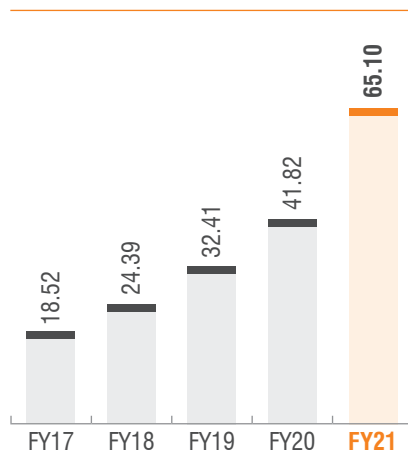
Interest Cover

(X)



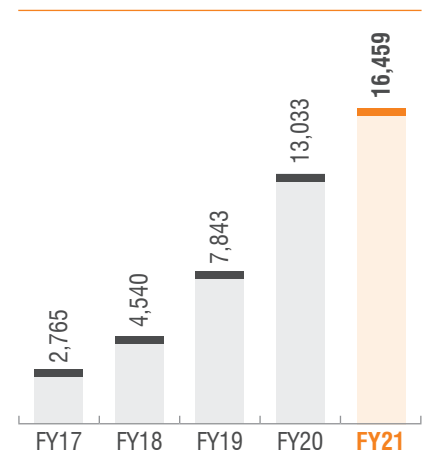
Net Worth

(₹ in crore)



Exports

(in MT)



* Core ROCE is 26.8% adjusting for funds earmarked for expansion project which has not been commissioned.

ABOUT US

Raghav Productivity Enhancers Limited (RPEL) is the largest ramming mass producer in the world. Established in 2009 as Raghav Ramming Mass Private Limited, the company has built a formidable reputation for itself over the past twelve years on the strength of its production, processing and research prowess.

Based out of Jaipur, Rajasthan, with a production capacity of around 180,000 TPA, RPEL has many renowned global and domestic steel manufacturers and foundries as its customers.

Its promoters, Mr Rajesh Kabra and Mr Sanjay Kabra, have a combined experience of 60 years in different verticals of the ramming mass business. In recent years, with the advent of next-generation management, in the form of Mr Raghav Kabra, the business has been infused with fresh energy and ideas for greater progress and expansion.

RPEL has been effectively redefining industry norms. Considered a pioneer in manufacturing value-added products, the Company offers high-value and cost-effective leadership in its focus segments. It attributes its success to its emphasis on unrelenting R&D and has the distinction of having filed multiple process patents. RPEL is also the only listed and organised ramming mass manufacturing company in India.

The Company has begun work on expanding its ramming mass production capacity by 108,000 TPA through a 100% fully-owned subsidiary project – Raghav Productivity Solutions Private Limited, adjacent to its existing plant in the Tonk district of Rajasthan taking our total capacity to 388,000 TPA.



THE JOURNEY SO FAR

2009

- Commenced operations with a 12,000 MTPA plant

**2012**

- Augmented manufacturing to 25,000 MTPA by contracting at 7 different plants

**2015**

- Commissioned a fully integrated plant with 72,000 MTPA capacity the world's first fully automated plant

**2018**

- Enhanced capacity to 144,000 MTPA by converting granules plant to ramming mass and received In-House R&D recognition from DSIR, Govt of India

**2017**

- Production reached full capacity and applied for process patent

**2016**

- Listed on BSE – SME platform

**2019**

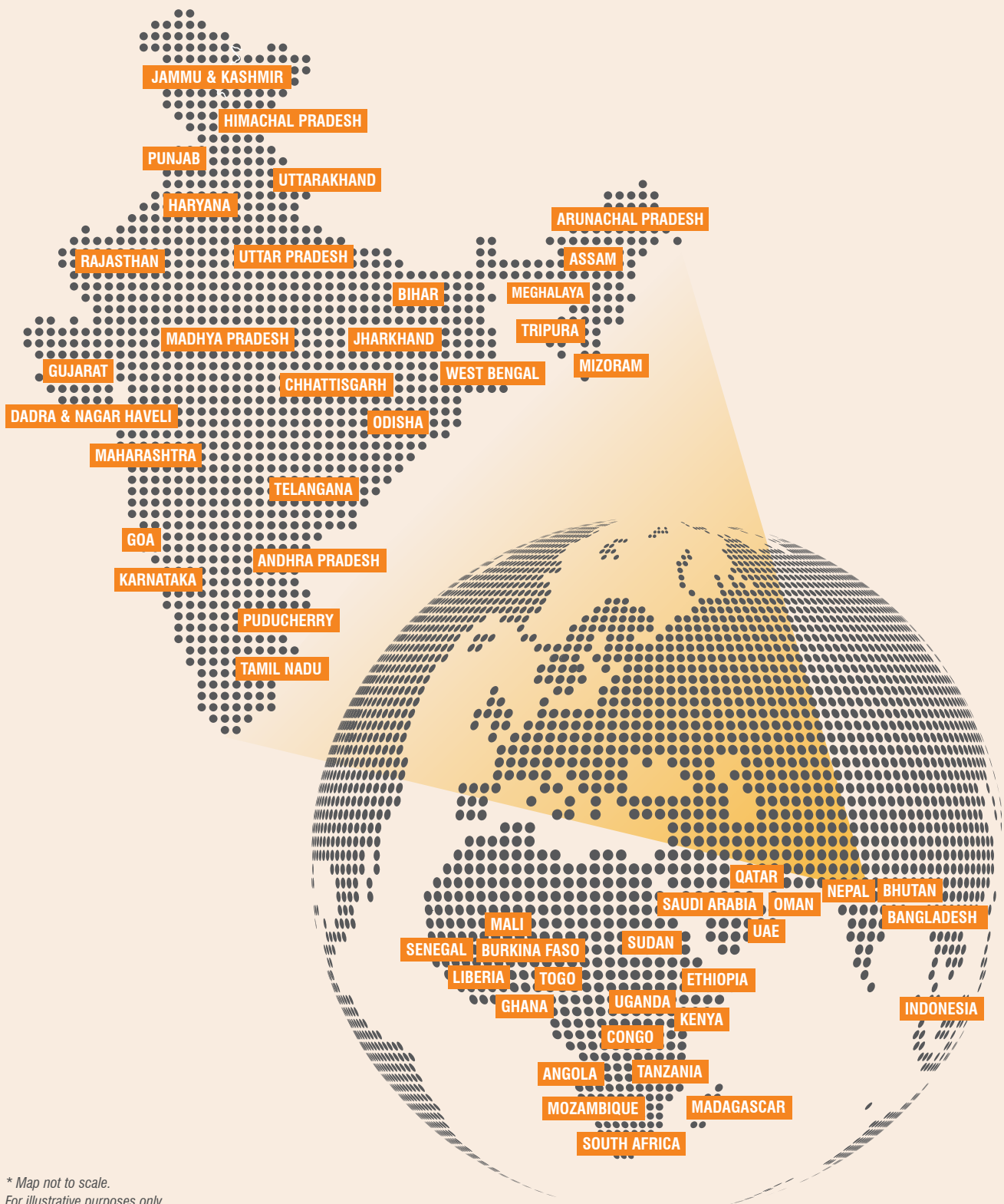
- Migrated to the main board of BSE in August 2019
- Further expanded capacity to 180,000 MTPA through brownfield expansion and debottlenecking of operations

**2020**

- Major R&D breakthrough with successful commercial trials and launch of a value-added variant of Ramming Mass



GEOGRAPHICAL PRESENCE



* Map not to scale.
For illustrative purposes only.

KEY STRENGTHS



Proprietary and Cutting-edge Technology

RPEL has designed and fabricated its state-of-the-art ramming mass manufacturing process and equipment. Today, it operates the world's only automated plant with VSI-based crushing process (iron-free crushing) which delivers undisputed quality advantage.



Superior product

RPEL has been offering its customers superior quality and even customised products, which deliver the benefit of competitive advantage by maximising the heat in induction furnaces.



Unparalleled capacity

The nearest competitor has a capacity of less than half that of RPEL's. This capacity will further increase with the upcoming expansion.



Strategic location

The plant site is well connected with rail and road transport and the vicinity of the Western Dedicated Freight Corridor (DFC), which ensures uninterrupted goods transport and ample availability of raw materials (quartzite) in the proximity of the plant. Newai has the densest quartzite in the world, best for ramming mass use.



Economies of scale

As the largest silica ramming mass manufacturer in India, RPEL enjoys the benefits of economies of scale.



Technology advantage

Latest automation technology with state-of-the-art production process



Research facility

RPEL has been able to devise superior processes, enhance productivity and offer better products and complete customer solutions on the strength of its R&D facility. Only one to have in-house R&D recognition from the Govt. of India.



Strong brand recognition

As an organised and high-tech player in an otherwise commodity play, RPEL is considered a product manufacturer. It has earned the trust of its client and the market through its product quality and reliable delivery commitments.



Debt-free balance sheet

Competitive strength from the absence of long-term debt and robust balance sheet.



Veteran leadership

The promoters have vast business experience, a rich financial background and have maintained good contacts with people of this trade.



Robust demand visibility

The product is primarily used in the steel manufacturing industry, which is a crucial sector for any economic development.



Seasoned player

Having been in the ramming mass business for over a decade, RPEL has garnered deep market insights.

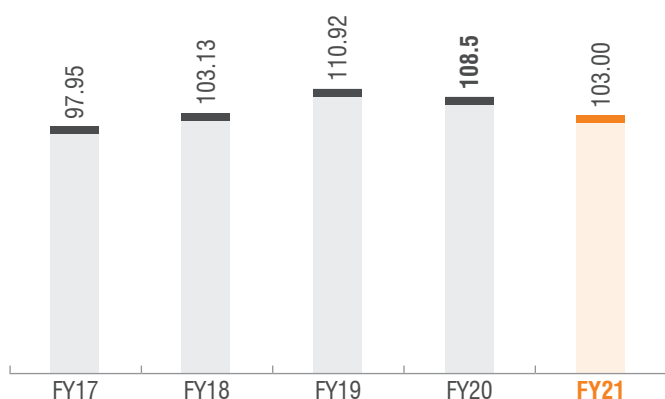
AT THE RIGHT PLACE AT THE RIGHT TIME WITH A BEFITTING STRATEGY

Steel is a predominant downstream industry for the silica ramming mass sector in India, accounting for over two-thirds of demand for its output. Over the past 6-7 years, the production of crude steel in India has been relatively flat.

Despite this sluggish expansion in steel industry and moderate growth in demand, we have been plotting a consistent and robust growth path.

Crude Steel Production in India (MTPA)

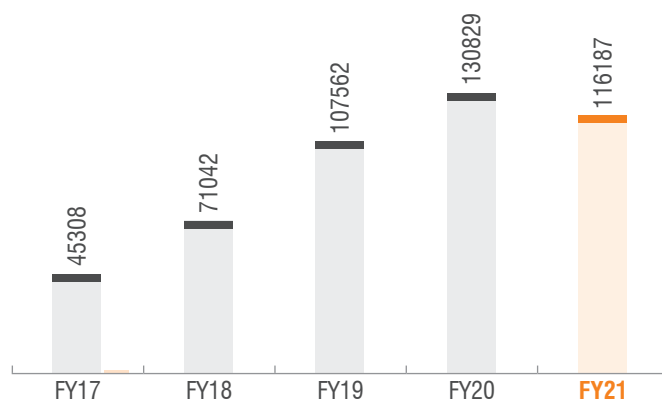
(in Mn)



The steel cycle is now turning around and is expected to remain in an up-cycle over the medium term leading. This will lead to higher capacity utilisation and capacity addition by most of the secondary steel manufacturers. Clearly, this indicated an increase in the overall market opportunity for us.

RPEL Total Production

(in MT)



We are well placed to serve the growing demand of ramming mass and other refractory products in the domestic as well as export markets, with our ability to deliver high quality and value-added products, as a result of the vigorous product development we have undertaken over the past 3-4 years.