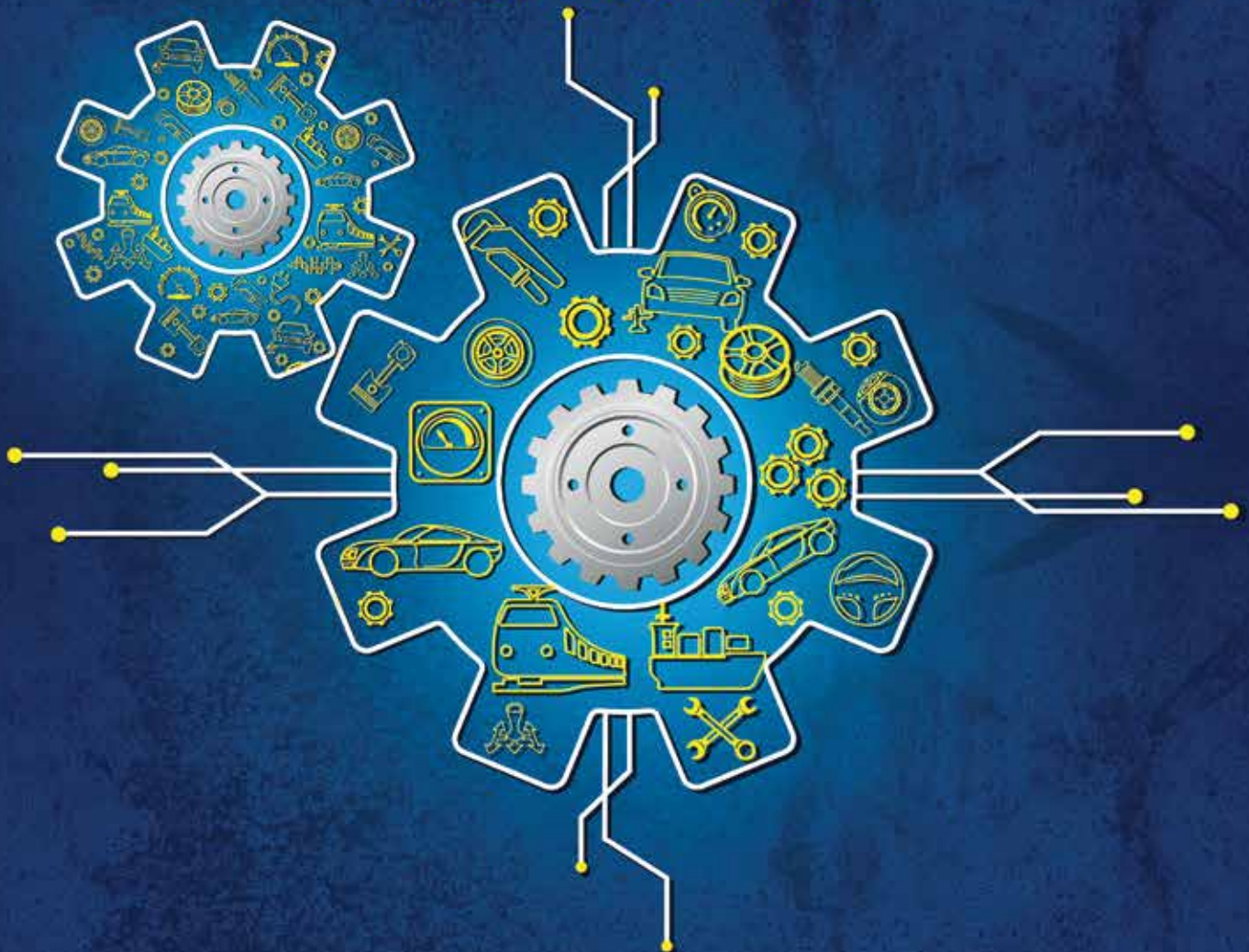




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INNOVATION AND
VALUE CREATION



RAMKRISHNA FORGINGS LIMITED

ANNUAL REPORT 2022-23

CORPORATE INFORMATION

CIN L74210WB1981PLC034281

Directors

Mr. Naresh Jalan
Mr. Chaitanya Jalan
Mr. Lalit Kumar Khetan
Mr. Pawan Kumar Kedia
Mr. Mahabir Prasad Jalan

Mr. Padam Kumar Khaitan
Mr. Ram Tawakya Singh
Mr. Yudhishthir Lal Madan
Mr. Amitabha Guha
Mr. Sandipan Chakravorty
Mr. Partha Sarathi Bhattacharyya
Mr. Ranaveer Sinha
Mrs. Rekha Shreeratan Bagry
Mr. Sanjay Kothari
Ms. Aditi Bagri

- Managing Director
- Whole-time Director
- Whole-time Director
- Whole-time Director
- Non-Executive Director ("Chairman Emeritus")
(Re-designated w.e.f 21 July, 2023)
- Non-Executive, Independent Director
- Non-Executive, Independent Director
- Non-Executive, Independent Director
- Non-Executive, Independent Director
- Non-Executive, Independent Director
- Non-Executive, Independent Director
- Non-Executive, Independent Director
- Non-Executive, Independent Woman Director (Appointed w.e.f 3 May, 2022)
- Non-Executive, Independent Director (Appointed w.e.f 3 May, 2022)
- Non-Executive, Independent Director (Resigned on 27 April, 2022)

Company Secretary

Chief Financial Officer (CFO)

Registered and Corporate Office

- Mr. Rajesh Mundhra
- Mr. Lalit Kumar Khetan

23, Circus Avenue,
Kolkata -700 017
Telephone: 033-4082 0900/7122 0900
Fax: 033-4082 0998/7122 0998
Email id – secretarial@ramkrishnaforgings.com
Website: www.ramkrishnaforgings.com

Works/Plants:

Plant I: Plot No. M-6, Phase VI,
Gamaria, Jamshedpur- 832108, Jharkhand.

Plant II: 7/40, Duffer Street, Liluah,
Howrah- 711204, West Bengal.

Plant III & IV: Plot No. M-15, 16 and
NS-26, Phase – VII, Adityapur Industrial Area,
Jamshedpur- 832109

Plant V: Baliguma, Kolabira, Saraikela –
Kharsawan – 833220, Jharkhand.

Plant VII: Plot No.1988, Plant - VII, Mauza Dugni,
Block- Saraikela, PO: Dugni, Saraikela Kharsawan - 833220,
Jharkhand

Joint Statutory Auditors:

S. R. Batliboi & Co. LLP, Chartered Accountants

22, Camac Street, 3rd Floor, Block 'B'
Kolkata- 700026

S. K. Naredi & Co., Chartered Accountants

Park Mansions, Block -1, Room no. 1
3rd Floor, 57A, Park Street
Kolkata - 700016

Internal Auditors:

Singhi & Co., Chartered Accountants

161, Sarat Bose Road, Kolkata-700026

Cost & Management Auditors:

Bijay Kumar & Co

Cost & Management Accountants
Flat No. 1/1 A- Block, AM Residency
Balvihar Green, Sonari,
Jamshedpur- 831011

Secretarial Auditors:

MKB and Associates

Company Secretary in Practice
Shantiniketan Building, 5th Floor, Room no. 511
8 Camac Street, Kolkata -700017

Principal Bankers:

State Bank of India
IDBI Bank Limited
Export Import Bank of India
DBS Bank India Limited
DCB Bank Limited
ICICI Bank Limited
Standard Chartered Bank
RBL Bank Limited
Axis Bank Limited
IndusInd Bank Limited
International Finance Corporation
Landesbank Baden, Wurttemberg
Kotak Mahindra Bank Limited
HDFC Bank Limited
IDFC First Bank Limited
Bank of Baroda
Canara Bank
SBM Bank (India) Limited
Tata Capital Financial Services Limited

Registrar and Share Transfer Agents:

KFin Technologies Limited

(Formerly KFin Technologies Private Limited)

Selenium Building, Tower B,
Plot Nos. 31-32, Financial District,
Nanakramguda, Serilingampally
Hyderabad- 500 032

Rangareddy, Telengana, India

Toll free: 1-800-309-4001

E mail: einward.ris@kfintech.com

Website: www.kfintech.com.

Across the pages

Directors' Report **02** Management Discussion and Analysis **28** Corporate Governance Report **38** Business Responsibility & Sustainability Report **68** Tax Transparency Report **95** Standalone Independent Auditors' Report **102** Balance Sheet **112** Statement of Profit & Loss **113** Cash Flow Statement **116** Consolidated Independent Auditors' Report **170** Consolidated Financial Statement **178**



Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 41st Annual Report of the Company together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31 March, 2023.

Financial Highlights 2022-23

(Amount ₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended	Year ended	Year ended	Year ended
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Sales and Operating Income (Net)	3,00,099.86	2,28,536.55	3,19,289.51	2,32,024.66
Other Income	376.73	160.93	395.68	145.91
Profit before Interest, Depreciation & Tax (incl. Exceptional Item)	67,195.82	52,857.84	69,627.56	51,845.11
Finance Cost	11,495.91	9,334.69	12,019.77	9,589.76
Depreciation	20,135.25	16,905.90	20,163.97	16,935.32
Profit Before Tax (before Exceptional Items)	35,564.66	26,617.25	37,443.82	25,320.03
Exceptional Items	-	-	-	-
Profit Before Tax	35,564.66	26,617.25	37,443.82	25,320.03
Provision for taxation:				
- Current Tax	11,947.85	8105.25	11,985.87	8133.03
- Deferred Tax	128.27	(2307.41)	717.66	(2784.92)
-Tax adjustments for earlier years (Net)	(70.67)	169.23	(70.55)	169.23
Profit After Tax	23,559.21	20,650.18	24,810.84	19,802.69
Other Comprehensive Income (Net of Tax)	(114.19)	29.09	(91.76)	42.73
Total Comprehensive Income for the year	23,445.02	20,679.27	24,719.08	19,845.42

State of Company's Affairs

Financial Performance

- Revenue from operations increased by 31.31% from ₹ 2,28,536.55 lakhs in 2021-22 to ₹ 3,00,099.86 lakhs in 2022-23.
- Export Sales increased by 25.72% from Rs. 99,038.13 lakhs in 2021-22 to ₹ 1,24,512.96 lakhs in 2022-23.
- EBIDTA increased by 27.13% from ₹ 52,857.84 lakhs in 2021-22 to ₹ 67,195.82 lakhs in 2022-23.
- PAT showed an increase of 14.09% from ₹ 20,650.18 lakhs in 2021-22 to ₹ 23,559.21 lakhs in 2022-23.

The Production of commercial vehicle (CV) sales in India increased by 28.57% to 10,35,626 units in financial year 2022-23, as against 8,05,527 units in financial year 2021-22.

The M & HCV segment production volumes increased by 39.35% from 2,72,167 vehicles in 2021-22 to 3,79,259 vehicles in 2022-23. The sales of M&HCV increased by 49.23% from 2,40,577 vehicles in 2021-22 to 3,59,003 vehicles in 2022-23. The exports of the M&HCV vehicles decreased by 31.43% from 32,181 vehicles in 2021-22 to 22,067 vehicles in 2022-23.

Operational Highlights

Forgings and Machining Facility

The Company derives the major share of its revenues from the commercial vehicle segment. Your Company produced 48,160 tons during the year under review as compared to 46,513 tons last year registering an increase of about 3.54%.

The Company has the state-of-art of CNC Machining and Gear Cutting Facilities in which it has achieved accuracies of DIN 3962 (Class 8 to 9) in Hobbing Stage, DIN 3962 (Class 7) in Shaving Stage.

The Company has made 88 new product development in the CNC Turning, 38 new development in Gear cutting and 10 new products in HMC/VMC Machining centre which has helped to enhance the product basket with existing clients and add new clients in the domestic and export market.

Ring Rolling Line

The Company has produced 29,497 tons during the year as compared to 28,277 tons last year thus registering an increase of about 4.31%.

The Company has developed 40 new products during the year out of which 30 products are machined.

Directors' Report

Press Facility

During the year the Company has achieved a production of 85,725 Tons as compared to 69,649 tons last year thus registering an increase of 23.08%. The Company has achieved an average capacity utilisation of around 73.21% during the year.

The Company has developed 124 new products during the year out of which 64 products are machined.

Future Outlook

Despite prevailing inflationary headwinds, elevated fuel costs and rising interest rates, the CV sector registered a 28.50% growth in sales volumes in FY23. The factors responsible for the traction are an overall economic improvement, increased public and private capex in infrastructure, better fleet utilisation levels, a flourishing e-commerce sector and a rebound in replacement demand.

End-user industries like food & beverage, construction, automotive and healthcare have a high requirement for commercial vehicles to transport raw materials and distribute finished products to the sales channel. With India transitioning towards an industrialised economy in the coming years, the Indian CV market could experience a healthy uptick over the medium term. Also, with Indians returning to work as before and schools functioning normally, the demand for buses will accelerate.

The Union Budget 2024 has announced a record allocation for infrastructure development at ₹ 18.6 trillion, a total 28% increase over the budgetary allocation for FY23.

Gross budgetary support for the MoRTH (Ministry of Road Transport and Highways) is increased by 25% to ₹ 2.59 trillion for FY24. Also, the allocation to NHAI (National Highway Authority of India) has increased by 15% to ₹ 1.62 trillion for FY24.

Additionally, the Government has allocated ₹ 75,000 crore for taking up 100 critical transport infrastructure projects on priority for last and first-mile connectivity for ports, coal, steel, fertilizer, and food grain sectors.

These allocations reflect the Government's ambition of improving the nation's core infrastructure and promise to open up significant opportunities for the CV sector, particularly the M&HVC segment.

Further the Vehicle Scrapping Policy aims to create a method to phase out unfit and polluting vehicles. This policy proposes the de-registration of CVs after 15 years if it fails to get a fitness certificate.

According to ICRA, CV sales volume will increase 7-10% in FY24 from a much higher base, primarily owing to massive government spending on infrastructure, back-to-school & office, replacement demand and e-commerce expansion. CRISL mentions that domestic Commercial Vehicles sales volumes is expected to grow 9-11% in FY24 driven by medium and heavy commercial vehicles.

US Truck Sector

The North American Class 6-8 Truck market has been cruising steadily amid strong transport & construction activity marked by high freight volumes as well as rates and robust fleet utilisation levels across operators, while the demand for trucks and order backlogs have been surging across the industry OEMs.

In 2023, experts believe, despite all the existing global headwinds, the industry will continue to make steady progress. State of freight volumes, carrier profitability and potential for further supply-chain disruptions will determine the future truck order. But, with inflation numbers moderating, strong demand for original equipment is expected to sustain.

Deposits

The Company has not accepted any deposits from the public and consequently there are no outstanding deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended.

Transfer to Reserves

Your Company proposes to transfer ₹ 500.00 lakhs to General Reserve out of the amount available for appropriation and an amount of ₹ 80,446.76 lakhs is proposed to be carried over to Balance Sheet as retained earnings.

Dividend

Based on the Company's performance, the Directors have declared following interim dividends:

Particulars	Financial Year	Interim Dividend Per equity share of face value of ₹ 2 each.	Date of declaration of Interim Dividend in Board Meeting	Cash outflow (₹ in lakhs)
1 st Interim Dividend	2022-23	₹ 0.50/-	21 July, 2022	799.45
2 nd Interim Dividend		₹ 0.50/-	21 October, 2022	799.45
3 rd Interim Dividend		₹ 0.50/-	20 January, 2023	799.45
Total		₹ 1.50/-		2,398.35

The Board in its meeting held on 28 April, 2023 have declared 4th interim dividend of ₹ 0.50/- per equity share of face value of ₹ 2/- each, which would involve a cash outflow of ₹ 799.45/- lakhs. The total dividend for FY 2022-23 would involve a total cash outflow of about ₹ 3,197.80 lakhs.



Directors' Report

The Register of Members and the Share Transfer books of the Company will remain closed from, 9 September, 2023 (Saturday) to 16 September, 2023 (Saturday) (both days inclusive) for the purpose of Annual General Meeting. The Dividend distribution policy is available at <https://www.ramkrishnaforgings.com/investors/policy/dividend-distribution-policy.pdf>.

Share Capital

The Company presently has one class of shares – Equity Shares of par value of ₹ 2/- each.

The Authorised Share Capital of the Company as on 31 March, 2023 stands at ₹ 38,25,00,000/- divided into 19,12,50,000 Equity Shares of ₹ 2/- each.

The Issued, Subscribed and Paid up Share Capital of the Company as on 31 March, 2023 stands at ₹ 31,97,79,070/- divided into 15,98,89,535 Equity Shares of ₹ 2/- each.

Warrants

During the year under review the Board in its meeting held on 12 September, 2022 has approved to issue and allot of upto 46,00,000 (Forty Six lakhs only) Warrants, each convertible into, or exchangeable for, 46,00,000 (Forty Six Lakhs only) fully paid-up equity share of face value of ₹ 2/- each at a price of ₹ 205 per share of the Company within the period of 18 (Eighteen Months) from the date of allotment of Warrants to the Promoter of the Company and Non-Promoter Persons/Entity. The same was approved by the shareholders of the Company in the Extra-ordinary General Meeting held on 12 October, 2022.

The Company, upon receipt of 25% of the issue price (i.e. ₹ 51.25/- per warrant) as warrant subscription money, allotted 46,00,000 warrants convertible into one equity share on 26 October, 2022. The balance 75% of the issue price (i.e. ₹ 153.75/- per warrant) shall be payable within 18 months from the allotment date by the warrant holders.

Employees Stock Option Scheme

The Company has an ESOP Scheme titled Ramkrishna Forgings Limited – Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015) for the grant upto 35,00,000 stock option of ₹ 2/- each (i.e. 7,00,000 stock option of ₹ 10/- each), in one or more tranches, to its permanent employees working in India and Whole-time Directors of the Company (employees). RKFL ESOP Scheme 2015 provides an incentive to attract, retain and reward the employees and enable them to participate in future growth and financial success of the Company. In accordance with the scheme the employees based on the performance matrix are eligible to receive one fully paid-up equity share of ₹ 2/- against each option.

During the year under review, based on the performance matrix of the eligible employees the Nomination and Remuneration Committee in its meeting held on 21 October, 2022 vested 25,715 Stock Options of face value of ₹ 2/- each to the eligible employees under RKFL ESOP Scheme 2015.

Further, 41,850 options of ₹ 2/- each of RKFL ESOP Scheme 2015 have been forfeited /cancelled during the Financial Year 2022-23.

There are 3,52,820 options of ₹ 2/- each which are outstanding as on 31st March, 2023.

During the year the Company has not granted any Options to its employees.

The details pursuant to the Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, as amended and SEBI (Share Based Employee Benefits) Regulations, 2014, have been placed on the website of the Company at <https://www.ramkrishnaforgings.com/investors/esop/ESOP-Report-FY-2022-23.pdf>.

The RKFL ESOP Scheme 2015 is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and amendment thereof.

A Certificate from the Secretarial Auditors with regard to the implementation of ESOP Scheme 2015 shall be available over email on making a request to the Company through e-mail on secretarial@ramkrishnaforgings.com.

Pollution Control Measures

Your Company has the requisite approvals from the concerned authorities for all the units.

Credit Rating

The Credit facilities of the Company continued to be rated for the FY 2022-23 from ICRA Limited & India Ratings.

ICRA Limited has upgraded the credit rating of the credit facilities of the Company. The Long-term ratings has been upgraded to [ICRA] A+ with a Stable Outlook and Short-term Ratings were reaffirmed by ICRA Limited at [ICRA] A1.

India Ratings has also upgraded the credit rating of the credit facilities of the Company. The Long-term ratings has been upgraded to IND A+ with a Stable Outlook and Short-term Ratings were reaffirmed by India Ratings at IND A1.

Directors' Report

Details of Directors and Key Managerial Personnel

(A) Appointment/Reappointment of Directors

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 161 of the Companies Act, 2013, the Board at its Meeting held on 3 May, 2022, had appointed Mr. Sanjay Kothari (DIN: 00258316) and Mrs. Rekha Shreeratan Bagry (DIN: 08620347), as an Additional Directors of the Company w.e.f 3 May, 2022, who shall hold office upto the conclusion of the forthcoming Annual General Meeting.

Pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company has sought the approval of the members of the Company for appointment of Mr. Sanjay Kothari (DIN: 00258316) and Mrs. Rekha Shreeratan Bagry (DIN: 08620347) as Non Executive Independent Directors, not liable to retire by rotation for a period of 5 years w.e.f 3 May, 2022 through the Postal ballot, which was passed with requisite majority on 14 July, 2022.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 20 January 2023, subject to the approval of the members, re-appointed Mr. Pawan Kumar Kedia (DIN: 00375557) as Whole-time Director of the Company for a period of 1 year w.e.f. 1 April, 2023. The Company sought approval of the members for the above re-appointment vide Postal Ballot notice dated 20 January 2023, which was passed with requisite majority on 28 March, 2023.

(B) Statement on Declaration given by Independent Directors under Sub- Section (7) of Section 149 of the Companies Act, 2013

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules 2014 as per the declaration received from the Directors.

(C) Familiarization Programme Undertaken for Independent Directors

The Director, upon appointment, is formally inducted to the Board. In order to familiarise the Independent Directors about the various business drivers, they are updated through presentations at Board Meetings about the financials of the Company. They are also provided presentations about the business and operations of the Company. The Directors also undertake plant tours to appraise themselves of the operation and technology of the Company. The Directors are also updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors.

The details of programmes imparted by the Company during the year pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <https://www.ramkrishnaforgings.com/Familiarization-Programme-for-IDs-FY-2022-23.pdf>.

(D) Resignation of Director during the year

During the Financial Year 2022-23, Ms. Aditi Bagri, Independent Director (DIN: 06943139) tendered her resignation vide email dated 27 April, 2023, due to a new role in her professional workspace. Ms. Bagri also confirmed that except as stated in her resignation email dated 27 April, 2022, there were no other material reasons for her resignation.

The Board at its meeting held on 3 May 2022 recorded appreciation for the services rendered by Ms. Aditi Bagri during her tenure as an Independent Director of the Company.

(E) Re-Appointment of Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013, Mr. Mahabir Prasad Jalan (DIN: 00354690), Whole-time Director and Mr. Chaitanya Jalan (DIN: 07540301), Whole-time Director, retires by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting. Their appointment will be placed for approval by the members at the ensuing Annual General Meeting and forms part of the notice of the ensuing Annual General Meeting.

The information about the Director seeking appointment/re-appointment as required by Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 on General Meeting will be given in the notice convening the Annual General Meeting.



Directors' Report

(F) Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. Mahabir Prasad Jalan, Chairman, Mr. Naresh Jalan, Managing Director, Mr. Pawan Kumar Kedia, Wholetime Director, Mr. Chaitanya Jalan, Wholetime Director, Mr. Lalit Kumar Khetan, Whole Time Director & Chief Financial Officer and Mr. Rajesh Mundhra, Company Secretary. The Company Secretary also act as a Compliance Officer of the Company.

During the financial year ended 31 March 2023, there is no change in Key Managerial Personnel of the Company.

Remuneration Policy

The Company has in place a policy on Directors' and Senior Management appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, read with Regulation 19 (4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy is available on the website of the Company at the following link: <https://www.ramkrishnaforgings.com/investors/policy/Remuneration-policy-18.01.2022.pdf>.

Annual Evaluation of Board Performance and Performance of its Committees and of Directors

Pursuant to the provisions of Section 134 (3) (p) and other applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual evaluation of the performance of the Board, its Committees and of individual Director was done.

The evaluation of performance for the year 2022-23 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated 5th January, 2017.

Further, the Nomination and Remuneration Committee in terms of Section 178 (2) of the Companies Act, 2013, also carried out evaluation of every Director's performance including Independent Directors. The performance evaluation of the Independent Directors was also carried out by the entire Board (excluding the Director being evaluated).

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors in the Independent Director Meeting held on 21 February, 2023.

The Board expressed its satisfaction with the evaluation process and results thereof.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Director's Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of annual accounts for the year ended 31 March 2023, applicable accounting standards have been followed and there are no material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2022-23 and of the profit of the Company for that period;
- iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts for financial year 2022-23 on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively;
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Subsidiaries

The Company had four (4) Wholly-owned Subsidiaries i.e. Globe All India Services Limited [previously known as Globe Forex & Travels Limited] (CIN: U63040WB1994PLC062139), Ramkrishna Aeronautics Private Limited (CIN: U62100DL2016PTC361917), Ramkrishna Forgings LLC, USA and RKFL Engineering Industry Private Limited (CIN: U25910DL2023PTC410733).

Directors' Report

A brief highlight of the consolidated performance and its contribution to the overall performance of the Company for the financial year 2022-23 is as below:

(₹ in Lakhs)

Particulars	Ramkrishna Forgings Limited (Holding Company)	Globe All India Services Limited (Subsidiary Company)	% of contribution to the overall performance of the Holding Company
Total Gross Revenues from operation	3,19,289.51	21,426.50	6.71
Profit before Taxation (PBT)	37,443.82	661.32	1.77
Profit/(Loss) after Taxation (PAT)	24,810.84	434.81	1.75

(₹ in Lakhs)

Particulars	Ramkrishna Forgings Limited (Holding Company)	Ramkrishna Aeronautics Private Limited (Subsidiary Company)	% of contribution to the overall performance of the Holding Company
Total Gross Revenues from operation	3,19,289.51	-	0.00
Profit before Taxation (PBT)	37,443.82	(1.70)	(0.00)
Profit/(Loss) after Taxation (PAT)	24,810.84	(1.70)	(0.01)

(₹ in Lakhs)

Particulars	Ramkrishna Forgings Limited (Holding Company)	Ramkrishna Forgings LLC, USA (Subsidiary Company)	% of contribution to the overall performance of the Holding Company
Total Gross Revenues from operation	3,19,289.51	13396.83	4.20
Profit before Taxation (PBT)	37,443.82	181.07	0.48
Profit/(Loss) after Taxation (PAT)	24,810.84	142.93	0.58

RKFL Engineering Industry Private Limited (CIN: U25910DL2023PTC410733) was incorporated on 6th March, 2023 and is yet to start its operation as on 31st March, 2023.

Pursuant to Section 129(3) of the Companies Act, 2013, and implementation requirements of the Indian Accounting Standards Rules on accounting and disclosure requirements, as applicable and as prescribed under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the consolidated financial statements of the Company and its subsidiaries prepared in accordance with the relevant accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of this Annual Report. Further as per section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of the subsidiary are available at our website at <http://www.ramkrishnaforgings.com>.

In addition the financial data of the subsidiary has been furnished under note. 47 of the Consolidated Financial Statements and forms part of this Annual Report.

The annual accounts of the Subsidiary and other related detailed information will be kept at the registered office of the Company and also at the registered office of the Subsidiary Company and will be available at the website of the Company at www.ramkrishnaforgings.com or over email on making a request to the Company through email on secretarial@ramkrishnaforgings.com.

Your Company does not have a Material Subsidiary.

The Company does not have any Joint Venture or Associate company and no Company has ceased to be a Subsidiary or Associate of the Company for the Financial Year 2022-23.

During the year there has been no change in the nature of the business carried out by the Subsidiary Companies.

The statement in Form AOC - 1 containing the salient features of the financial statement of the Company's subsidiaries, Joint Ventures and Associates pursuant to first-proviso to sub-section (3) of section 129 of the Companies Act 2013 forms part of this Report as "Annexure - A".

Auditors

Statutory Auditors

The Board in its meeting held on 3 May, 2022 had reappointed S. R. Batliboi & Co., LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005) as Statutory Auditors of the Company for a period of 5 years from the conclusion of 40th Annual General Meeting held on 17 September, 2022 till the conclusion of 45th Annual General Meeting to be held for the financial year 2026-27 and the same was approved by the Members of the Company in the Annual General Meeting held on 17 September, 2022.



Directors' Report

S. K. Naredi & Co., Chartered Accountants, (Firm Registration No. 003333C) acts as the Joint Statutory Auditors of the Company.

The Auditors' Report (Standalone and Consolidated) to the shareholders for the year under review does not contain any qualifications or adverse remarks.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed MKB & Associates, Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the financial year 2022 - 23. The Secretarial Audit Report for the financial year ended 31 March, 2023 is given in "Annexure - B" which is annexed hereto and forms part of Directors' Report.

The Secretarial Audit Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark except the company has given a shorter notice for Board Meeting held on 21 July, 2022 wherein the proposal for fund raising by issue of securities was considered. The Company had paid the requisite fines to the Stock Exchanges where it is listed for the same.

Further, the Board has appointed MKB & Associates, Company Secretaries in Practice, to conduct secretarial audit of the Company for the financial year 2023-24.

Cost Auditors

The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 and accordingly, such accounts and records are made and maintained by the Company.

Bijay Kumar & Co. has confirmed that they do not incur any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) and all other applicable provisions of the Companies Act, 2013 and their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and arm's length relationship with the Company.

In terms of Section 148 (3) and other applicable provisions of the Companies Act, 2013, the Board of Directors based on the recommendation of the Audit Committee has appointed Bijay Kumar & Co. (Membership no. 42734/FRN: 004819), Cost and Management Accountants, as the Cost Auditors to carry out the audit of the cost records of the Company for the financial year 2023-24.

As required under Section 148(3) of the Companies Act, 2013, the remuneration payable to the Cost Auditor, as approved by the Board, is required to be placed before the Members in a general meeting for their ratification and the same will form part of the notice of the ensuing Annual General Meeting.

None of the Auditors of the Company have reported any fraud as specified under the second proviso to Section 143(12) of the Companies Act, 2013.

Risk Management

A Risk Management Policy to identify and assess the key risk areas, monitor mitigation measures and report compliance has been adopted. Based on a review, major elements of risks have been identified and are being monitored for effective and timely mitigation. Prudence and conservative dealing with risks is at the core of risk management strategy being followed by the Company.

The Board has formulated a Risk Management Committee ('RMC') to frame, implement and monitor the Risk Management Policy of the Company and to ensure the adequacy of the risk management systems. The said policy has been approved by the Board. Robust mechanisms and systems have been put in place to identify and manage the inherent risks in business and strategy, and to monitor the Company's exposure to key risks that could impact the overall strategy and sustainability of the business. The purpose is to identify risks in time which have the potential effect on the Company's business or corporate standing or growth and manage them by calibrated action.

The risks, both internal and external, to which the Company is exposed to and which includes financial, operational, project execution, legal, human resources etc. is taken into consideration for development and maintaining of a robust mechanism for mitigation which is evolving with time and circumstances within which the Company operates.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. The Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information.

Pursuant to the provisions of Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules 2014, Singhi & Co, Chartered Accountants, (Firm Registration no. 302049E) has been appointed as the Internal Auditor of the Company who also evaluates the functioning and quality of internal controls and standard operating procedures of the Company and reports its adequacy and effectiveness through periodic reporting to the Audit Committee of the Company.