The New Normal

Ramkrishna Forgings Limited

Annual Report 2020-21

Focused on the future

The transition from good to great is a state of the mind, an ongoing process. On a very primary, basic level, just like the corporate entities are blessed with the power of perpetual succession, they are also mandated to return to the society more than what they draw from it for their sustenance. The statutory term that defines this symbiotic relationship is Corporate Social Responsibility (CSR). Its reflection, reduced to monetary figures, can be found in the Balance Sheet and Annual Report.

However, when a corporate entity makes the transition upwards and reach out to touch and transform lives of those who are less fortunate, going beyond what it is statutorily mandated to perform as a duty, the transition from the good to the great begins to take shape. Such deeds can rarely be quantified financially and being largely intangible, do not find inclusion in the statements that are recorded and filed. For, these caring touches, performed voluntarily out of a greater compulsion, constitute acts that strengthen and enrich the Balance Sheet of the entity's life. They spell the difference between the good and the great.

At Ramkrishna Forgings Limited, we too are statutorily bound to perform our duties as a socially responsible corporate citizen. And we do it with the same vigour, professionalism and precision with which we conduct ourselves in the normal course of business, as will be evident from the attached annexures in the Director's Report. We have primarily identified the State of Jharkhand and West Bengal where we have drawn up a multipronged and integrated plan that aims at capacity creation and skill development, leading to poverty eradication and grassroots socio-economic development. Healthcare, Sanitation and Education have been singled out for specific action and are being addressed systematically through concerted efforts of RKFL.

The company also has taken up the cause of the differently abled children and promotes their education through a number of livelihood enhancement projects in Kolkata and elsewhere.

The point to be noted here is that right from the composition of the CSR Committee down to the actual implementation of the projects at the grassroots – the entire spectrum is monitored and run from the highest office in RKFL. All employees, both at the plants and the headquarters are encouraged to participate actively in the company's various social outreach programmes to ensure that the activities are conducted in letter and spirit. At Ramkrishna Forgings, being a Socially Responsible Corporate Citizen is not an afterthought, to wax eloquent from glossy brochures, but rather, is a way of life that is built into its very being.

The way RKFL sought to step out and do its bit to fight the menace of Covid 19 can also be seen as an extension of this core belief. The Company was naturally in the forefront and conducted the necessary vaccination drives in all its facilities ensuring that its entire workforce was inoculated at the first possible opportunity. However, what the company did simultaneously, was to organise a number of vaccination camps that were open to the public at large which re-established its humane credentials and, in the process, provided succor to many lives. As many as Nine (9) camps were organised in different locations in the city spread over two Months in which around 6464 doses of the vaccine were administered free of cost to the recipients who were primarily from the economically challenged strata of the society.

On a very basic level, the primary function of a company is to earn profits for its stakeholders and pay the taxes to the exchequer. On a more elevated level, it lives to create wealth for the Nation, adding value, generating resources that fuel progress, acting as a force multiplier. But on the highest level, an entity is an agent of societal change, one that uses its expertise to empower, to foster transformative well-being in the society in which it operates. At Ramkrishna Forgings, we are proud to be walking the talk, proud to be doing what our heart commands, what our spirit beckons.

We are focussed. On leaving for our children a better world than the one we had inherited from our forefathers.

CORPORATE INFORMATION

CIN : L74210WB1981PLC034281

Directors

Mr. Mahabir Prasad Jalan	-	Chairman
Mr. Naresh Jalan	-	Managing Director
Mr. Chaitanya Jalan	-	Wholetime Director
Mr. Lalit Kumar Khetan	-	Wholetime Director (Appointed w.e.f 20th October 2020)
Mr. Pawan Kumar Kedia	-	Director (Finance)
Mr. Padam Kumar Khaitan	-	Non-Executive, Independent Director
Mr. Ram Tawakya Singh	-	Non-Executive, Independent Director
Mr. Yudhisthir Lal Madan	-	Non-Executive, Independent Director
Mr. Amitabha Guha	-	Non-Executive, Independent Director
Ms. Aditi Bagri	-	Non-Executive, Independent Director
Mr. Sandipan Chakravortty	-	Non-Executive, Independent Director
Mr. Partha Sarathi Bhattacharyya	-	Non-Executive, Independent Director
Mr. Ranaveer Sinha	-	Non-Executive, Independent Director
Company Secretary	-	Mr. Rajesh Mundhra
Chief Financial Officer (CFO)	-	Mr. Lalit Kumar Khetan

Registered and Corporate Office

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 :

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, Jharkhand- 833220

Joint Statutory Auditors
M/s. S. R. Batliboi & Co. LLP
22, Camac Street, 3rd Floor, Block 'B'
Kolkata - 700026

M/s. S.K. Naredi & Co.
Park Mansions, Block -1, Room no. 1
3rd Floor, 57A, Park Street
Kolkata - 700016

Internal Auditors
M/s. Singhi & Co.
161, Sarat Bose Road, Kolkata-700026

Cost & Management Auditors
M/s. Bijay Kumar & Co
Cost & Management Accountants
Flat No. 1/1 A- Block, AM Residency
Balvihar Green, Sonari,
Jamshedpur- 831011

Secretarial Auditors
M/s. 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
Qatar National Bank
Kotak Mahindra Bank Limited
HDFC Bank Limited
IDFC Bank Limited
Indian Bank
Bandhan Bank

Registrar and Share Transfer Agents
M/s KFin Technologies (P) Ltd
Selenium Tower B,
Plot Nos. 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad- 500 032
Toll free: 1-800-309-4001
E mail: einward.ris@kfintech.com
Website: www.kfintech.com

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Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 39th Annual Report of the Company together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March 2021.

Financial Highlights 2020-21

(Amount ₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2021	Year ended 31st March, 2020
Sales and Operating Income (Net)	1,28,837.52	1,11,182.02	1,28,893.21	1,21,647.18
Other Income	461.46	601.60	558.97	679.55
Profit before Interest, Depreciation & Tax (incl. Exceptional Item)	23,453.97	20,973.16	22,829.55	21,408.08
Finance Cost	7,677.53	7,515.17	7,984.91	7,874.79
Depreciation	11,628.46	12,016.49	11,670.44	12,054.06
Profit Before Tax (before Exceptional Items)	4,147.98	1,441.50	3,174.20	1,479.23
Exceptional Items	-	-	-	-
Profit Before Tax	4,147.98	1,441.50	3,174.20	1,479.23
Provision for taxation:				
- Current Tax	726.90	237.79	731.07	271.28
- Deferred Tax	625.28	241.04	348.35	229.69
-Tax adjustments for earlier years (Net)	0.27	1.23	27.97	8.71
Profit After Tax	2,795.53	961.44	2,066.83	969.55
Other Comprehensive Income (Net of Tax)	33.48	(26.95)	34.28	(33.23)
Total Comprehensive Income for the year	2,829.01	934.49	2,101.11	936.32

State of Company's Affairs

Financial Performance

- Revenue from operations increased by 15.88 percent from ₹ 1,11,182.02 lakhs in 2019-20 to ₹ 1,28,837.52 lakhs in 2020-21.
- Export Sales increased by 18.03 percent from ₹ 43,882.30 Lakhs in 2019-20 to ₹ 51,792.42 Lakhs in 2020-21.
- EBIDTA increased by 11.83 percent from ₹ 20,973.16 lakhs in 2019-20 to ₹ 23,453.97 lakhs in 2020-21.
- PAT showed an increase of 190.76 percent from ₹ 961.44 Lakhs in 2019-20 to ₹ 2,795.53 Lakhs in 2020-21.

Hit by the COVID-19 pandemic, commercial vehicle (CV) sales in India dropped considerably - total commercial vehicles sales declined by 20.77% to 5,68,559 units last financial year, as against 7,17,593 units in 2019-20.

The M& HCV segment production volumes declined by 22% from 2,32,414 vehicles in 2019-20 to 1,81,242 vehicles on 2020-21. The sales of M&HCV decreased by 28.4% from 2,24,428 vehicles in 2019-20 to 1,60,688 vehicles in 2020-21. The exports of the M&HCV vehicles decreased by 21.4 % from 22,333 vehicles in 2019-20 to 17,548 vehicles in 2020-21.

The Production of LCVs declined but at a lesser pace by 15.38% from 5,24,311 vehicles in FY 2019-20 to 4,43,697 units in FY 2020-21.

Operational Highlights

Forgings and Machining facility

The Company derives the major share of its revenues from the commercial vehicle segment. Your Company produced 35,040 tons during the year under review as compared to 29,156 tons last year registering an increase of about 29.18%. 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 37 new product development in the CNC Turning, 55 new development in Gear cutting and 44 new products in HMC/VMC Machining centre which has helped to enhance the product basket with existing clients and addnew clients in the domestic and export market.

Ring Rolling Line

The Company has produced 20,867 tons during the year as compared to 16,572 tons last year thus registering an increase of about 25.92%. The Company has developed 44 new products during the year.

Directors' Report

Press Facility

During the year the Company has achieved a production of 38,738 Tons as compared to 36,166 tons last year thus registering an increase of 7.11%. The Company has achieved an average capacity utilisation of around 45% during the year.

The Company has developed76 new products during the year out of which 45 products are machined.

Future Outlook

The M&HCV segment performed consistently above last year from September 2020 onwards and posted their best sales in the month of March 2021.

Sales of commercial vehicles – a barometer of economic activity – are expected to post robust growth in the second half of 2021 driven by replacement demand, a pickup in construction activity amid easing of local lockdowns and higher infrastructure demand including road construction and mining. However the prospects for both the Indian Economy and the CV industry are closely linked to the timely containment of Covid. The government has readied two more such policies to help the market grow, the scrappage policy and production linked incentive (PLI) plan.

The medium-duty and heavy-duty truck and bus markets in the US are expected to show strong recovery following the dip in 2020.

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 ₹ 40,520.26 lakhs is proposed to be carried over to Balance Sheet as retained earnings.

Dividend

In view of subdued profits, the Board has not recommended any dividend for the Financial Year 2020-21.

The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 18th September 2021, to Saturday, 25th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.

Buyback of Equity Shares

The Board of Directors of the Company at its meeting held on 21st March, 2020, approved buy-back of Equity Shares of the Company for a maximum size not exceeding ₹ 40,00,00,000 (Rupees Forty Crore only) (Maximum Buyback Size) at a price not exceeding ₹ 250/- per equity share from the members of the Company from the open market through the Stock Exchange Mechanism in accordance with the regulation, provisions contained in the Companies Act, 2013, rules made thereunder and the SEBI (Buy-Back of Securities) Regulations, 2018.

The Maximum Buyback Size represented 4.81% and 4.82% of the aggregate of the Company's total paid-up equity share capital and free reserves based on the Standalone and Consolidated Audited Financial Statements of the Company as on 31st March, 2019.

The Buy-back commenced on 3rd April, 2020 and closed on 25th September, 2020. The Company during the Buyback period bought back and extinguished 6,74,993 equity shares at an average price of ₹ 191.61 per Equity Share for an aggregate consideration of ₹ 12.93 Crores excluding Transaction Costs which representing 32.33% of the Maximum Buy-back Size.

Share Capital

The Company has one class of shares – equity shares of par value of ₹ 10 each.

During the Financial Year 2020-21, the Authorised Share Capital Stood at ₹ 33,25,00,000/- consisting of 3,32,50,000 equity shares of ₹ 10/- each.

The Issued, Subscribed and Paid up Share Capital was reduced from ₹ 32,65,29,000 consisting of 3,26,52,900 equity shares of ₹ 10/- each to ₹ 31,97,79,070 divided into 3,19,77,907 equity shares of ₹ 10/- each pursuant to buyback of 6,74,993 equity shares.

Debentures

During the year under review, the Board of Directors at its meeting held on 26th June, 2020, had approved the issue of unrated, unlisted, collateralized, redeemable, non-convertible debenture denominated in Indian Rupees for an aggregate principal amount of upto INR 1,500,000,000 (Rupees One Hundred and Fifty Crore only) at par, on a private placement basis in one or more tranches/ series to International Finance Corporation.

As on the date of this report, the Company has issued and allotted 550 unrated, unlisted, collateralized, redeemable, non-convertible debenture debentures at a face value of ₹ 10,00,000/- each.

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 7,00,000 stock option, in one or more tranches, to its permanent employees working in India and wholetime 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 ₹ 10/- against each option.

During the year under review, based on the performance matrix of the eligible employees the Nomination and Remuneration Committee vested 64,160 Stock Options to the eligible employees.

Further, 17,654 options have been forfeited /cancelled during the Financial Year 2020-21. There are 1,76,576 outstanding options as on 31st March, 2021.

During the year the Company has granted 16765 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 http://www.ramkrishnaforgings.com/notice.html

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

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

Pollution Control Measures

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

Credit Rating

As on the date of this report Company's long term rating is ICRA is A - (Stable Outlook) and the short term rating is A2+ (A two plus).

Details of Directors and Key Managerial Personnel

(A) Appointment/Reappointment of Directors

Upon the recommendations of the Nomination and Remuneration Committee, the Board at its Meeting held on 20th October 2020, subject to the approval of the members, appointed Mr. Lalit Kumar Khetan (DIN: 00533671) as an Additional Director. He was also appointed as the Wholetime Director for a period of 5 years w.e.f 20th October 2020, subject to the approval of the members. The Company sought approval of the members for above appointment vide Postal Ballot notice dated 22nd January 2021, which was passed with requisite majority on 31st March 2021.

Upon recommendation of the Nomination and Remuneration Committee,the Board of Directors at its meeting held on 22nd January 2021, subject to the approval of the members, re-appointed Mr. Pawan Kumar Kedia (DIN:00375557) as the Wholetime Director, designated as Director (Finance), for a period of 1 year w.e.f. April 1, 2021. The Company sought approval of the members for the above re-appointment vide Postal Ballot notice dated 22nd January 2021, which was passed with requisite majority on 31st March 2021.

Mr. Partha Sarathi Bhattacharyya(DIN: 00329479) and Mr. Sandipan Chakravortty(DIN: 00053550), were appointed as the Independent Directors of the Company for a term of five years in the 34th Annual General Meeting of the Company. Based on the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company, subject to the approval of members in general meeting, approved their reappointment for another term of 5 (five) years with effect from 21st May 2021. The Company sought approval of the members for the above re-appointments vide Postal Ballot notice dated 22nd January 2021, which was passed with requisite majority on 31st March 2021.

Mr. Mahabir Prasad Jalan, (DIN 00354690), Chairman cum Wholetime Director and Mr. Naresh Jalan (DIN: 00375462) Managing Director were reappointed as the Chairman cum Wholetime Director and Managing Director respectively for a period of 5 years w.e.f. 5th November 2016. The Board of directors at its meeting held on 15th May 2021 upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members of the Company in the general meeting approved their reappointment for a further period of 5 years w.e.f. 5th November 2021. Their approval forms part of the notice of the ensuing Annual General Meeting.

Directors' Report

(B) Statement on Declaration given by Independent Directors under Sub- Section (7) of Section 149

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 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 ad 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.

(D) Resignation of Director(s) during the year:

During the Financial Year ended 31st March 2021, none of the Directors have resigned from 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) and Mr. Chaitanya Jalan (DIN 07540301) Directors, retires by rotation and being eligible, offer himself for reappointment at the ensuing Annual General Meeting. His appointment will be placed for approval by the members at the 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 has been given in the notice convening the Annual General Meeting.

(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, Chief Financial Officer and Mr. Rajesh Mundhra, Company Secretary and Compliance Officer.

During the year, Mr. Lalit Kumar Khetan, CFO, has also been appointed as the Wholetime Director designated as Director (Executive) w.e.f. 20th October 2020.

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.

During the year, there has been no change in the Policy.

The policy is available on the website of the Company at the following link: https://ramkrishnaforgings.com/policies.

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 2020-21 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.

Directors' Report

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 19th March 2021.

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 31st March 2021, 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 2020-21and 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 2020-21on 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 has three 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] and Ramkrishna Forgings LLC, USA.

A brief highlight of the consolidated performance and its contribution to the overall performance of the Company for the Financial Year 2020-21 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	1,28,893.21	2,134.57	1.65%
Profit before Taxation (PBT)	3,174.20	(854.00)	(26.90%)
Profit/(Loss) after Taxation (PAT)	2,066.83	(653.16)	(31.60%)

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	1,28,893.21	0.00	0.00
Profit before Taxation (PBT)	3,174.20	(1.09)	(0.03)
Profit/(Loss) after Taxation (PAT)	2,066.83	(1.09)	(0.05)

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	1,28,893.21	1292.63	1.00%
Profit before Taxation (PBT)	3,174.20	19.84	0.62%
Profit/(Loss) after Taxation (PAT)	2,066.83	15.67	0.75%

Directors' Report

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 Section133 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 subsidiaries has been furnished under note. 45 of the Consolidated Financial Statements and forms part of this Annual Report.

The Annual Accounts of the Subsidiaries 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 over email on making a request to the Company through Email on secretarial@ramkrishnaforgings.com.

Your Company does not have a material unlisted 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 2020-21.

During the year there has been no change in the nature of the business carried out by the Subsidiary Companies except of M/s. Globe All India Services who has also forayed inter alia into the business of Sanitation, Pest Control, Fumigation, Freight Forwarder and Waste Disposal Management.

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

M/s. S. R. Batliboi & Co., LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005) and M/s. S. K. Naredi & Co, Chartered Accountants, (Firm Registration No. 003333C) acts as the 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 Company had appointed M/s. MKB & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for the Financial Year 2020-21. The Secretarial Audit Report is given as **"Annexure B"** forming part of this Report.

The Secretarial Audit Report for the Financial Year 2020-21has one qualification. The Company failed to give prior intimation to the Stock Exchange of Board Meeting wherein in-principle approval for issuance of unlisted, secured, unrated, redeemable non-convertible debentures was granted for which the Company has paid the requisite fines to the Stock Exchanges where its securities are listed.

The Board has re-appointed M/s. MKB & Associates, Practicing Company Secretaries, as Secretarial Auditors of the Company for the Financial Year 2021–22.

Cost Auditors

M/s. S.K. Choudhary & Associates, Cost Accountants, conducted the Audit of the Cost Records of the Company for the F.Y. 2020-21. However, they have submitted their unwillingness to continue as the Cost Auditor of the Company for the FY. 2021-22.

Accordingly, 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 & Risk Management Committee has appointed M/s. Bijay Kumar & Co. (Membership no. 42734/ FRN: 004819), Cost Accountants, as Cost Auditors to carry out the audit of the cost records of the Company for the Financial Year 2021-22.

As required under 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 forms part of the notice of the Annual General Meeting.

The Company is required to maintain cost records pursuant to Section 148 of the Companies Act, 2013 and accordingly such records and accounts are maintained by the Company.

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 Policy

Your Company has a well defined risk management framework in place and a robust organizational structure for managing and reporting risks.

The Company has a Risk Management Policy duly approved by its Board. Risk evaluation and management is an ongoing process within the organisation and is periodically reviewed by the Board of Directors.

Risk Management process has been establish across your company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives.

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, M/s. Singhi & Co, Chartered Accountants, (Firm Registration no. 302049E) are 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.

Corporate Social Responsibility (CSR)

CSR for your Company means Corporate Sustainable Responsibility and this means embedding CSR into its business model.

In terms of the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee.

Your Company has in place the following Programs under its CSR activity i.e. Ramkrishna Jan Kalyan Yojana, Ramkrishna Shiksha Yojana, Ramkrishna Swastya Yojana and Ramkrishna Sanskriti Yojana.

Your company has spent the requisite percentage of the average net profit of the three immediately preceding Financial Years on CSR related activities as covered under Schedule VII of the Companies Act, 2013.

Your Company as part of its CSR initiatives has initiated projects as per its CSR Policy.

The Company has framed and adopted a CSR Policy which is available at the following web link: http://www.ramkrishnaforgings.com/policies.html. The policy indicates the CSR activities to be undertaken by the Company to achieve its social commitments.

The particulars required to be disclosed pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended,are given as **"Annexure- C"** forming part of this Report.

Related Party Transactions

The Company has formulated a Policy on dealing with Related Party Transactions. The Policy is disclosed on the website of the Company at the weblink: http://ramkrishnaforgings.com/policy-for-transactions-with-related-parties.pdf.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year were in the ordinary course of business and on an arms-length basis. There are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company at large.

The details of the material Related Party transaction in Form AOC-2 is enclosed and marked as **"Annexure D"**.

All related party transactions are placed before the Audit & Risk Management Committee and Board for its approval. In accordance with Ind AS-24, the Related Party Transactions are disclosed under Note No. 39 of the Standalone Financial Statements.

Stock Exchange(s)

The Equity Shares of your Company are listed on two stock exchanges:

- National Stock Exchange of India Limited, Exchange Plaza, Plot no. C/1, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.
- BSE Limited, Phiroze Jeejeeboy Towers, Dalal Street, Mumbai 400 001.

The annual listing fees for the year 2020-21have been paid to both the stock exchanges where the shares of your Company are listed.

Management's Discussion And Analysis Report

Management's Discussion and Analysis Report for the year under review in terms of Regulation 34 (2) (e)read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange in India is presented in the separate section and forms part of the Annual Report.

Directors' Report

Corporate Governance

Adoption of best ethical business practices in the Company within the regulatory framework is the essence of good Corporate Governance. Your Company continues to believe in such business practices and gives thrust on providing reliable financial information, maintenance of transparency in all its business transactions and ensuring strict compliance of all applicable laws.

The report of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

The requisite certificate from the Statutory Auditors of the Company, confirming the compliance with the conditions of corporate governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached with the Corporate Governance Report.

Business Responsibility Report

The Business Responsibility Report for the financial year 2020-21 is presented in the separate section and forms part of the Annual Report.

Disclosures

a) Meetings of Board of Directors

During the year under review, 7 (Seven) meetings of the Board of Directors were held. The details of the meetings and the attendance of the Directors are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the statutory laws and the necessary quorum were present at all the meetings.

b) Committees:

The Company has in place the Committee(s) as mandated under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are currently 5 (five) committees of the Board, namely:

- Audit and Risk Management Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Management & Finance Committee

Details of the Committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

There has been no instance where the Board has not accepted the recommendations of the Audit and Risk Management Committee.

c) Meeting of Independent Directors

In accordance with the requirement of the statutory laws a separate meeting of the Independent Directors was held on 19th March, 2021. In the meeting, the Directors among other things reviewed the performance of Non-Independent Directors, the Chairman of the Board and the Board as a whole and further assessed the quality, quantity and the timeliness of flow of information between the Management and the Board and found it satisfactory.

d) Particulars of Loan & Investment:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement. The details of such Investments, loans and guarantees have been provided in Note no. 7,9 and 44 to the Standalone Financial Statements.

e) Annual Return

Pursuant to the provisions of Section 92 (3) read with section 134(3)(a) of the Companies Act, 2013 the draft copy of the annual return for the F.Y. 2020-21 is uploaded on the website of the Company http://www.ramkrishnaforgings.com/annual-report.html and the same can be viewed by the members and stakeholders.

f) Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act is given in **"Annexure-E"** to this Report

g) Particulars of Employees and related disclosures

Disclosure with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rules 5 (1) (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in **"Annexure –F"** to this Report.

h) Whistle Blower Mechanism

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees and directors are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Vigilance and Ethics officer who operates under the supervision of the Audit and Risk Management Committee. Employees may also report to the Chairman of the Audit Committee. The status of the complaints received, if any, under the whistle blower policy is also placed on a quarterly basis before the Board. During the year under review, no employee was denied access to the Audit and Risk Management Committee. The Vigil Mechanism / Whistle Blower Policy of the Company can be accessed at the website of the Company at the following link: http://www.ramkrishnaforgings.com/whistle-blower-policy.pdf

i) Transfer of amounts to Investor Education and Protection Fund (IEPF)

Pursuant to the provision of Section 124 of the Companies Act, 2013, read with the IEPF Authority (Accounting Audit, Transfer and Refund) Rules, 2016 (the Rules) all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

Accordingly, during the financial year 2020-21, the Company has transferred an unpaid & unclaimed dividend of ₹ 14184 . Further, their was no requirement for transfer of shares for the F.Y. 2020-21 to the IEPF Fund. The details are provided at the website of the Company at the following link: https://www.ramkrishnaforgings.com/unpaid-dividend.html

Mr. Rajesh Mundhra, Company Secretary and Compliance Officer, acts as the Nodal Officer. His details are provided at the website of the Company at the following link: https://www.ramkrishnaforgings.com/unpaid-dividend.html

GENERAL –

i. During the year under review, there has been no change in the nature of business of the Company.

ii. No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year ended 31st March, 2021 till the date of this Report.

iii. There have been no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

iv. During the year under review, the Company has not issued sweat equity shares.

v. During the year under review, the Company has not issued shares with differential voting rights.

vi. The Company has not revised any of its financial statements or reports.

vii. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its Subsidiaries.

viii. During the year under review, no application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Company.

ix. During the year under review, there were no instance of one-time settlement with banks or financial institutions and hence the differences in valuation as enumerated under Rule 8 (5) (xii) of Companies (Accounts)Rules,2014, as amended, do not arise.

x. The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India.

Prevention of Sexual Harassment at Workplace

Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Company has an Internal Complaints Committee in all its workplace.Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Directors' Report

Green Initiatives

Electronic Copies of the Annual Report 2020-21 and Notice of the 39th Annual General Meeting are sent to all the members whose email addresses are registered with the Company/ Depository Participant(s). For members who have not registered their email addresses, physical copies are sent in permitted mode.

Acknowledgement

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during theyear under review. Your Directors also wish to place onrecord their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On behalf of the Board
For **Ramkrishna Forgings Limited**
Sd/-
Mahabir Prasad Jalan
(Chairman)
(DIN: 00354690)

Place: Kolkata
Dated: 15th May 2021

Annexure - A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary is presented with amounts in Rs. lakhs)

Sr. No.	Name of the subsidiary	Globe All India Services Limited	Ramkrishna Aeronautics Private Limited	Ramkrishna Forgings LLC.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	USD Closing rate: 73.11
3	Share capital	478.77	10.00	7.47
4	Reserves & surplus	271.07	(6.75)	15.27
5	Total assets	4695.75	430.59	1533.39
6	Total Liabilities (excluding shareholders' fund)	3945.91	427.35	1510.64
7	Investments	-	-	-
8	Total Revenues from operation (Net)	2134.57	-	1292.63
9	Profit before taxation	(854.00)	(1.09)	19.84
10	Provision for taxation	(200.84)	-	4.16
11	Profit after taxation	(653.16)	(1.09)	15.67
12	Proposed Dividend	-	-	-
13	% of shareholding	100%	100%	100%

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NIL

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

On behalf of the Board
For **Ramkrishna Forgings Limited**

Sd/-
Mahabir Prasad Jalan
(DIN: 00354690)
(Chairman)

Sd/-
Naresh Jalan
(DIN: 00375462)
(Managing Director)

Sd/-
Pawan Kumar Kedia
(DIN: 00375557)
(Finance Director)

Place : Kolkata
Dated : 15th May 2021

Sd/-
Rajesh Mundhra
(Company Secretary)
ACS: 12991

Sd/-
Lalit Kumar Khetan
(Wholetime Director & CFO)
DIN : 005336714
FCA : 056935

Directors' Report

Annexure - B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
RAMKRISHNA FORGINGS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RAMKRISHNA FORGINGS LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

   e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/acts are also, inter alia, applicable to the Company:

   a) Indian Explosive Act, 1884

   b) The Gas Cylinders Rules, 2004

   c) Standards of Weights & Measures (Enforcement) Act, 1985

   d) Petroleum Act, 1934 and Rules thereunder

e) Indian Electricity Act and Rules

f) Hazardous Wastes (Management and Handling) Rules, 1989

g) Jharkhand Municipal Corporation Act

h) Environment Protection Act, 1986 and Environment Impact Assessment Notification S.O 60(E), dated 27-01-1994.

i) Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules, 1982.

j) Water (Prevention & Control of Pollution) Act, 1974 & Water (Prevention and Control of Pollution) Rules, 1975.

k) Jharkhand Fire Services Act, 2007

We have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that the company has not given prior intimation to the stock exchange about the meeting of the Board of Directors held on 26.06.2020 in which proposal for issue of debentures was considered.

We further report that

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

i. pursuant to the resolution passed by Board of Directors at their meeting held on 21st March, 2020 the Company has bought back 674993 equity shares;

ii. the Company has allotted 550 unlisted non-convertible secured debentures of face vaue of ₹ 10,00,000 each amounting to ₹ 55 Cr.

We further report that during the period under audit, the Company has passed the following special resolutions:

i. Re-appointment of Mr. Partha Sarathi Bhattacharyya (DIN: 00329479) as an Independent Director of the Company for another term of five consecutive years from 21st May, 2021;

ii. Re-appointment of Mr. Sandipan Chakravortty (DIN: 00053550) as an Independent Director of the Company for another term of five consecutive years from 21st May, 2021;

iii. Payment of remuneration, as minimum remuneration in terms of Schedule V of the Companies Act, 2013, as amended, to Mr. Mahabir Prasad Jalan (DIN: 00354690) as the Wholetime Director designated as the Chairman of the Company for the remaining period of his tenure i.e. from 1st April, 2019 to 4th November, 2021

iv. Payment of remuneration as minimum remuneration in terms of Schedule V of the Companies Act, 2013, as amended to Mr. Naresh Jalan (DIN: 00375462) as the Managing Director of the Company, for the remaining period of his tenure i.e. from 1st April, 2019 to 4th November, 2021

Directors' Report

v. Appointment and payment of remuneration as minimum remuneration in terms of Schedule V of the Companies Act, 2013, as amended of Mr. Chaitanya Jalan (DIN: 07540301) as Wholetime Director designated as Director (Executive) for the period of 5 years with effect from 9th November, 2019

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 15.05.2021
Place: Kolkata
UDIN: A017190C000330195

Annexure - I

To
The Members,
RAMKRISHNA FORGINGS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Note: Due to continuing COVID-19 pandemic, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode and the same have been verified by us.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Raj Kumar Banthia
Partner
Membership no. 17190
COP no. 18428

Date: 15.05.2021
Place: Kolkata
UDIN: A017190C000330195

Annexure - C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility (CSR) policy embodies the various initiatives and programs of Ramkrishna Forgings Limited ("herein after referred as Company") in the communities and environment in which the Company operates. It represents the continuing commitment and actions of the Company to contribute towards economic and social development and growth.

For your Company, CSR means Corporate Sustainable Responsibility and this means embedding CSR into its business model. The CSR activities and programs are intended to be initiated towards the communities and environment in which the Company operates. It represents the continuing commitment and actions of the Company towards socio-economic development. The Company understands the need for promoting education, health, growth and development of the lower socio-economic sections of society including children and had drawn up various activities to promote education, health, growth and development of society during the Financial Year 2020-21.

The CSR Policy of the Company is disclosed on the website of the Company. http://ramkrishnaforgings.com/csr-policy.pdf.

2. The Composition of the CSR Committee as at 31st March 2021 is as under

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. R.T Singh	Chairperson / Non Executive, Independent Director	4	4
2	Mr. Mahabir Prasad Jalan	Member/ Wholetime Director	4	4
3	Mr. Naresh jalan	Member/ Managing Director	4	4

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

- Composition of CSR committee: www.ramkrishnaforgings.com
- CSR Policy: www.ramkrishnaforgings.com
- CSR projects approved by the board - www.ramkrishnaforgings.com

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not Applicable

6. Average net profit of the company as per section 135(5) – ₹11,681.58 lakhs

7. a. Two percent of average net profit of the company as per section 135(5) - ₹ 233.63 lakhs

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

c. Amount required to be set off for the financial year, if any – Not Applicable

d. Total CSR obligation for the financial year (7a+7b-7c) – ₹ 233.63 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of transfer
₹ 242.69 lakhs	NIL				

Directors' Report

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In lakhs).	Mode of implementation Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number
1	**Jankalyan Yojana** Distribution of Food and clothes	(i) Eradication of hunger, poverty, malnutrition	Yes	Jharkhand	Jamshedpur	11.85	No	Ramkrishna Foundation Trust	CSR00010504
2	**Jankalyan Yojana** Installation and maintenance of dustbin	(i) Sanitation	Yes	Jharkhand	Jamshedpur	8.02	No	Ramkrishna Foundation Trust	CSR00010504
3	**JankalyanYojana** Infrastructural improvement	(x) Rural Development Projects	Yes	Jharkhand	Jamshedpur / Saraikela	1.13	No	Ramkrishna Foundation Trust	CSR00010504
4	**Swastya Yojana** Medical Centre/ Medical treatment for weaker section of society/Blood & Free Health Camp/ setting of hospital	(i) Promoting health care including preventive health care	Yes	Jharkhand	Saraikela	186.35	No	Ramkrishna Foundation Trust	CSR00010504
5.	**SikshaYojana** improving infrastructures in school and colleges /Education to under privileged children/ Establishment of School for under privileged Children /Establishment of Recreational activities for Children at School	(ii) promoting education, including special education enhancing vocation skills especially among children	Yes	Jharkhand	Jamshedpur	8.23	No	Ramkrishna Foundation Trust	CSR00010504

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In lakhs).	Mode of implementation Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number
6.	**Siksha Yojana** To provide special education to Specially abled Children diagnosed with Autism	(ii) promoting education of differently abled children and livelihood enhancement projects	Yes	West Bengal	Kolkata	21.00	No	Ramkrishna Foundation Trust	CSR00010504

(d) Amount spent in Administrative Overheads– ₹ 6.11 Lakhs

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 242.69lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹)
1	Two percent of average net profit of the company as per section 135(5)	₹ 233.63 lakhs
2	Total amount spent for the Financial Year	₹ 242. 69 lakhs
3	Excess amount spent for the financial year [2-1]	₹ 9.06 lakhs
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years (3-4)	₹ 9.06 lakhs

9. a. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	NA	NIL	NA	NA	NA	NIL
2	2018-19	NA	NIL	NA	NA	NA	NIL
3	2017-18	NA	NIL	NA	NA	NA	NIL

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) –

Not Applicable

Sd/-
Naresh Jalan
Managing Director

Sd/-
R. T. Singh
(Chairperson - CSR Committee)

Directors' Report

Annexure - D

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

The Company did not had any material related party transaction during the Financial Year 2020-21 and thus Form AOC-2 is not applicable to the Company.

All related party transactions, which were not material in nature, were entered into by the Company were in the ordinary course of business and were on an arm's length basis.

On behalf of the Board
For **Ramkrishna Forgings Limited**

Sd/-
Mahabir Prasad Jalan
(Chairman)
(DIN: 00354690)

Place: Kolkata
Dated: 15th May 2021

Annexure - E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPOTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134 (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules 2014

A. CONSERVATION OF ENERGY

(i) Energy conservation measures taken.

The company provides high Priority to energy conservation schemes to conserve natural resources and remain competitive. Some of the significant measures adopted are:

- Auto-stop feature implemented for auxiliary machine in line.
- Improvement of Material Handling arrangement in Furnace to improve productivity and reduce manpower fatigue.
- Modification of the coils of induction furnace to reduce electric consumption and to maintain uniformity of heat.
- Replacement of higher wattage Mancollers with lower wattage.
- Stopper introduced for easy handling of heavy material in all up-setter to improve productivity and reduce manpower fatigue.
- Unloading arrangement has been introduced for easy handling of Material in MPI Section to increase productivity and improve safety.
- Modification of the heating process to reduce consumption of electricity consumption.
- Strict monitoring implemented to control fallout material to reduce electricity consumption.
- Improvement in loading arrangements in reheating furnace with the help of Chain pulley block to improve productivity and reduce manpower fatigue.
- Modification of logic to shutdown of equipment after a predefined interval.
- Installtion of LED Lights and conversion of existing lights with LED lights.
- Regular inspection undertaken for all electrical installations.
- Pinch roll replacement in Induction heater of 12500 Ton pressline to reduce repair time and manpower fatigue
- On-off mechanism for compressors and efforts are being done to arrest any leakeage in pipelines.
- To switch off the Modules of IBH one by one during stoppage for planned stoppage and during die change.

(ii) Steps taken for utilizing alternate source of energy:

The company has taken steps for installation of the roof top Solar Plant solar at Jamshedpur.

(iii) Capital Investment on energy conservation equipment's:

NIL

B. TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption :

Innovation and Technology are synonyms with the Company. Your company continues to invest in research and development and better technology equipmentfor manufacturing products to meet customer requirements.

Your Company is engaged in continuous yield improvement through design improvisation and process modification which helps to control the raw material cost. The company in order to reduce the recut of dies and scrap generation has implemented Die Welding technology .

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Your Company has undertaken the under-mentioned steps:

- Design Improvement & modification of machine parts therby reducing breakdown and improving life.
- Elimination of the Trim Cut thereby reducing material cost and cutting cost.
- Inhouse development of the spares which helped in reduction of the cost and reduce inventory holdings for such spares.

Directors' Report

- Modification of the process resulting in reduction in raw materials section which helped to reduce cut weight and sawing cost.
- In-house developments of fixtures.
- Process modification to improve maintenance efficiency and safety of machine.
- Reduction in bar Length for the machine clamping and tolerance.
- Tool cost reduction by making reuse of inserts and CPC reduction.
- Bigger offcuts are been used for making smaller products thereby reducing wastage.
- In-house development of the Mechanical Spares helped to reduce cost and inventory.
- Modification in product operation for elimination of machining requirement.
- Raw Materials are procured in multiple lengths to reduce final off cuts. Apart from that nesting is being implemented to cut the smaller product along with the main product thereby consuming the whole length.

(iii) Technology imported during the last 3 years:

Nil

(iv) Expenditure incurred in Research and Development:

The Company has been granted Certificate of Registration to its In-House R & D unit(s) of its Plant at Village Baliguma, Kolabera, Dist Saraikela Kharswan Jamshedpur from Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Government of India , New Delhi. The expenditure incurred on R & D for the year is as under:

Revenue : ₹ 535.03 Lakhs

Capital : ₹ 230.34 Lakhs

C. FOREIGN EXCHANGE EARNING AND OUTGO

The Particulars of the Total foreign exchange used and earned are given below: (₹ in Lakhs)

Particulars	2020-21	2019-20
Earned		
- Export Sales*	51261.26	43,434.86
- Die design	531.15	447.44
Total	51792.41	43,882.30
Used*	2632.63	14,069.64

*CIF Value

On behalf of the Board
For **Ramkrishna Forgings Limited**

Sd/-
Mahabir Prasad Jalan
(Chairman)
(DIN: 00354690)

Place: Kolkata
Dated: 15th May 2021

Annexure - F

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the Performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2020-21 (₹ in lakhs)	% increase in Remuneration in the Financial Year 2020-21	Ratio of Remuneration of each Director to median remuneration of employees
1	Mr. Mahabir Prasad Jalan	243.45	(5.58%)	62.42:1
2	Mr. Naresh Jalan	178.65	(7.16%)	45.81:1
3	Mr. Pawan Kumar Kedia	36.77	(8.07%)	9.43:1
4	Mr. Chaitanya Jalan	22.30	-$	5.72:1
5	Mr. Padam Kumar Khaitan	9.29#	56.13%	2.38:1
6	Ms. Aditi Bagri	9.62#	23.33%	2.47:1
7	Mr. Yudhisthir Lal Madan	11.32#	12.64%	2.90:1
8	Mr. Ram Tawakya Singh	9.74#	16.65%	2.50:1
9	Mr. Amitabha Guha	11.14#	27.31%	2.86:1
10	Mr. Sandipan Chakravortty	8.55#	21.28%	2.19:1
11	Mr. Partha Sarathi Bhattacharyya	7.85#	48.11%	2.01:1
12	Mr. Ranaveer Sinha	7.60#	26.67%	1.95:1
13	Mr. Rajesh Mundhra	34.28	(8.83%)	8.79:1
14	Mr. Lalit Kumar Khetan*	71.41	(9.01%)	18.31:1

* Mr. Lalit Kumar Khetan is the CFO of the Company. He was also appointed as the Wholetime Director of the Company w.e.f 20th October 2020.

Represents sitting fees paid to Non-Executive Directors for attending Board and Committee Meetings.

$ percentage increase is not comparable as Mr Chaitanya Jalan was appointed as Director for part of the year 2019-20 i.e. w.e.f 9th November 2019.

II. The median remuneration of employees of the Company during the Financial Year was ₹3.90 Lakh. In the Financial Year 2020-21, the median remuneration of employees was 5.69% higher compared to previous year.

III. There were 1896 permanent employees on the rolls of Company as on 31st March, 2021.

IV. Average percentage increase made in the salaries of employees other than the managerial personnel in the Financial Year 2020-21 was 2.57% over previous year. There were no exceptional circumstances for increase in Managerial Remuneration.

V. Affirmation that the Remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

Statement as per Rule 5(2) of The Companies (Appointment and Remuneration of Managerial personnel) Rules 2014

Sl No.	Name	Age (years)	Designation/ Nature of Duties	Gross Remuneration (₹ in lakhs)	Qualification	Total Experience (years)	Date of commencement of employment	Previous Employment
A.	**Details of top ten Employees in terms of remuneration drawn for the financial year ended 31st March 2021**							
1	Kasi Nath*	68	Executive Vice President	262.60	MBA, Master of Technology (M. Engg), Bachelor of Engineering (Hons). Dip in Business Administration	33	01.07.2012	Director Global Purchasing, Meritor Inc.

Directors' Report

Sl No.	Name	Age (years)	Designation/ Nature of Duties	Gross Remuneration (₹ in lakhs)	Qualification	Total Experience (years)	Date of commencement of employment	Previous Employment
2	Prakash Khose	51	Executive Director	83.55	Diploma in Mech Eng.	33	14-05-2019	Parsan Steel Forging and Machining Co.
3	Milesh Gandhi	41	Vice President	77.82	B.Com(Hons.), LlII, SMP	20	01-09-2000	NA
4	Martinez Gijon Victor Manuel*	50	Sales Lead-Mexico	74.83	Bachelor Degree in Mechanical Engineering	29	04-04-2015	Dana Corporation
5	Lalit Kumar Khetan	51	CFO	71.41	CA & ICWA	25	25.05.2018	Mcnally Bharat Engineering Company ltd.
6	Rajat Subhra Datta	56	Vice President IT	56.75	MSc	33	01-02-2010	Adhunik Group
7	Sakti Prasad Senapati	48	Chief People Officer	54.03	MBA & Diploma in Labour Law	23	01-04-2016	NRB Bearings Ltd.
8	Keshab Chandra Sen	58.8	General Manager	39.63	M Tech in Production	37	02-03-2020	Tata Motors
9	Mohammed Ghouse	53.9	Associate Vice president	37.27	Diploma in Metallurgical Eng.	29.1	12-02-2019	NA
10	Rahul Kumar Bagaria	42.9	Vice President	37.14	CA	16	09-09-2005	NA
B	**Details of Employee employed throughout the year and in receipt of remuneration not less than ₹10,200,000/- p.a.**							
1.	Kasi Nath*	68	Executive Vice President	262.60	MBA, Master of Technology (M. Engg), Bachelor of Engineering (Hons). Dip in Business Administration	33	01.07.2012	Director Global Purchasing, Meritor Inc.
2.	Mr. Mahabir Prasad Jalan	72	Chairman cum Wholetime Director	243.45	B.Tech	55	12.11.1981	NA
3.	Mr. Naresh Jalan	46	Managing Director	178.65	MBA	24	05.11.2001	NA
C	**Details of Employee employed part of the year and in receipt of remuneration not less than Rs. 850,000/- p.m.**							
					Nil			

* Mr. Kasi Nath and Mr. Martinez Gijon Victor Manuel are employees posted and working in a country outside India

Notes:

1. Gross Remuneration includes Basic Pay, Medical Reimbursement, Bonus, Leave Travel Allowance/Re-imbursements, Perquisites, Lease Rent, Contribution to National Pension Scheme, Leave encashment and Contribution to Provident Fund but exclude Provision for Leave Encashment and Gratuity which is based on actuarial valuation provided on overall basis in the books of accounts.
2. All the employees as mentioned above are under permanent roll of the Company
3. Mr. Mahabir Prasad Jalan, Chairman cum Wholetime Director, Mr. Naresh Jalan, Managing Director and Mr. Chaitanya jalan, Wholetime Director are related to each other.
4. The nature and terms of the employment are as per resolution/agreements/appointment letter.
5. Mr. Mahabir Prasad Jalan holds 4,56,000 equity shares, Mr. Naresh Jalan holds 2,85,750 equity shares and Mr. Chaitanya Jalan, Wholetime Director, holds 17,420 equity shares representing1.43%, 0.89% and 0.05% of the paid up share capital, respectively, as on 31st March, 2021.

On behalf of the Board
For **Ramkrishna Forgings Limited**

Sd/-
Mahabir Prasad Jalan
(Chairman)
(DIN: 00354690)

Place: Kolkata
Dated: 15th May 2021

The medium-duty and heavy-duty truck and bus markets in the US are expected to show strong recovery following the major dip in 2020 due to the dire impacts of the COVID-19 crisis on production and sales.

An Economic Overview

Global Economy: From an economic perspective, in 2020, world output shrank by 3.3%, significantly lower than the GDP decline in 2009 owing to the global financial crisis.

The pandemic hit the developed economies the hardest, with an estimated output decline of 4.7% in 2020, due to the strict and prolonged lockdown measures that were imposed in many European countries and some parts of the United States during the outbreak. The contraction was comparatively milder in the developing countries, with output shrinking by 2.2% in 2020. The aggregate figure masks, however, significant regional variation. (Source: IMF)

Going forward, the IMF projects a stronger recovery in 2021 and 2022 for the global economy, with growth projected to be 6% in 2021 and 4.4% in 2022. A high degree of uncertainty surrounds these projections, with many possible downside and upside risks. Much still depends on the race between the virus and vaccines.

According to the International Monetary Fund, the spread of COVID-19 vaccines will power a stronger global economic recovery in 2021; it also warns that coronavirus mutations could cloud the outlook for global health and economic growth.

Nonetheless, the outlook presents daunting challenges related to divergences in the speed of recovery both across and within countries and the potential for persistent economic damage from the crisis.

Indian Economy: India, is successfully battling the Covid-19 second wave, seems to be firmly on the road to resurgence as lockdowns instituted to contain the second wave are opening. Moreover, the aggressive vaccination drive across India is shoring confidence in the Indian diaspora to return to work, albeit with Covid-appropriate precautions.

Unfortunately though, India started FY21 on a dismal note. After a contraction in GDP for the first half of FY21 (a negative growth of 24.4% in Q1 and 7.3% in Q2), India recovered to post a positive GDP growth in Q3 at 0.4%, one of the few nations globally to emerge out of recession in such a short time period. As resurgence gained momentum, India's GDP growth for Q4 of 2020-21 stood at 1.6%.

Among the three sectors that comprise economic activity, the agriculture sector, which largely supports the rural economy, remained robust – it registered a growth of 3.0% in 2020-21 (lower than 4.3% growth recorded in 2019-20).

The Reserve Bank of India (RBI), and the central and state governments provided critical support to the economy during the crisis. The RBI maintained loose monetary policy, cutting repo rates by 115 bps during early CY 2020. To keep funding markets easy, the RBI maintained liquidity surplus through various monetary measures.

The external sector exhibited resilience as current account turned surplus for the first time since 2004, on weaker domestic demand, falling oil prices and strength in India's

Management Discussion And Analysis

services exports. FDI and equity FII flows were strong, driving India's forex reserves to an all-time high of ~US$580 billion by the end of FY 2020-21, against ~US$475 billion by the end of FY 2019-20.

In keeping with the uptick in economic activity, GST collection was above the Rs 1 lakh crore mark in the second half of FY21, peaking at Rs 1.23 lakh crore in March 2021.

In view of the economic momentum in Q4 of 2020-21, leading opinion makers had estimated a sharp growth in India GDP for 2021-22. But the outbreak of the second wave of Covid-19 in India, these estimates may be revised downwards.

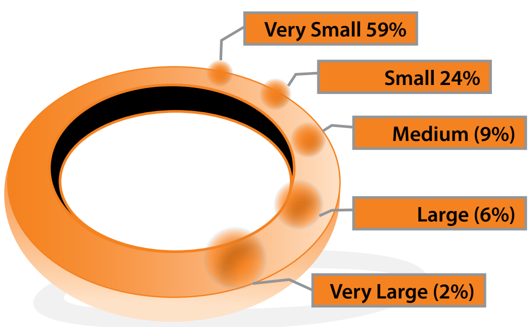
Indian forging sector

Forging is traditionally considered as the back bone of manufacturing industry. It is a major input to the sectors which support economic growth of the nation, such as, Automobile, Industrial Machinery, Power, Construction & Mining Equipment, Railways and General Engineering.

The Indian forging industry is well recognised globally for its technical capabilities. With an installed capacity of around 38.5 lakh MT, Indian forging industry has a capability to forge variety of raw materials like carbon steel, alloy steel, stainless steel, super alloy, titanium, aluminium and so forth, as per the requirements of user industry.

Over the years, the Indian forging industry has evolved from being a labour-intensive industry to capital-intensive manufacturing sector.

Based on their installed capacity, the forging units may be classified as very large (capacity above 75,000 MT), large (capacity above 30,000 to 75,000 MT), medium (capacity above 12,500 to 30,000 MT), small (capacity above 5,000 to 12,500 MT) and very small (capacity up to 5,000 MT). Based on this classification it is seen that about 83% of the total number of units are small and very small, while only about 8% can be classified as very large and large units; the balance of about 9% constitute the medium sized units.



Indian forging business already reeling under pressure from the ongoing economic slowdown faced serious COVID-19 fallouts. The majority of industries utilised only 50 percent of the installed capacity due to the movement of migrant workers. Some of the smaller units permanently shutdown operations as a fallout of the Covid-related restriction. But towards the close of the year, the forging industry witnessed a spike in demand from the automotive sector.

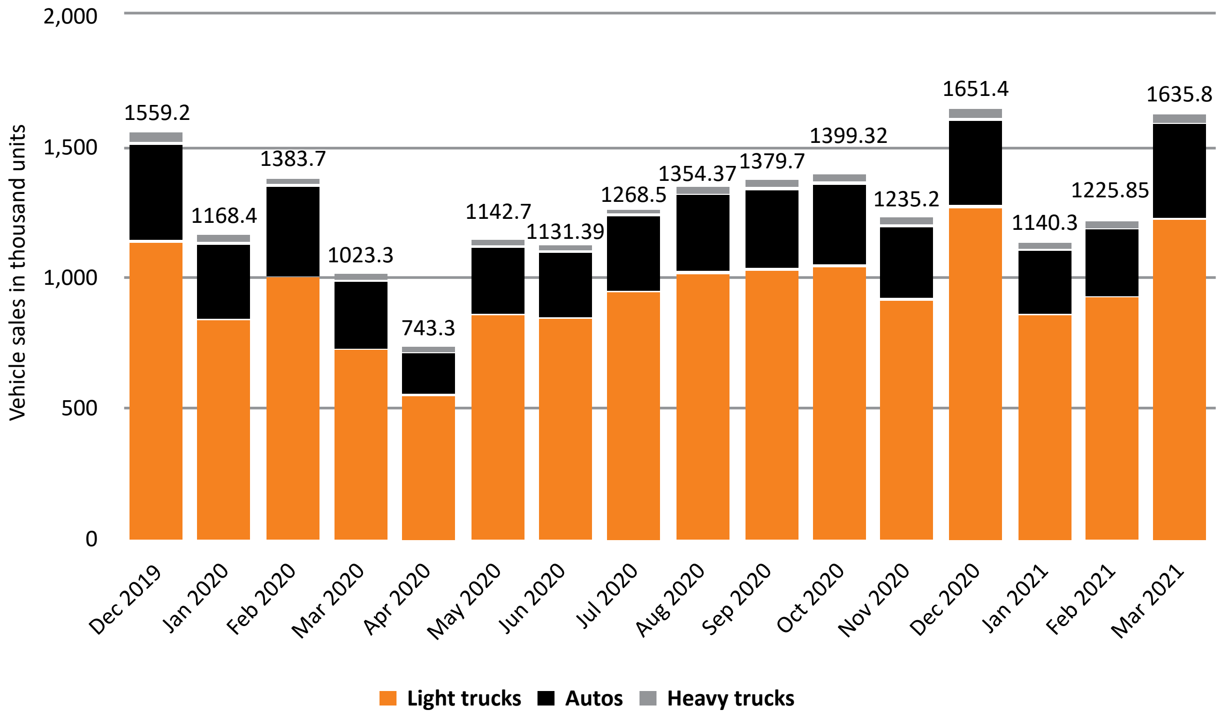
In the long run however, the forging industry eyes optimism as Japanese and South Korean companies are planning to shift their businesses out of China. This could also be imitated by their European and North American counterparts and companies. Along with the opportunities coming from the defence sector and the metro sector, there could be some upswing.

US truck and bus sector

In 2020, approximately 6.9 million commercial vehicles were produced throughout the United States. Commercial vehicles made up around 78 percent of the total motor vehicle manufacturing in the United States in 2020

Medium and heavy commercial vehicle (MHCV) production in North America has declined by about 35% in 2020 compared to 2019. However, orders for Class 8 trucks improved significantly in Q4 2020 as large fleets placed their orders for a 2021 build. This appears to signal an improvement in demand for 2021 as the market aligns itself with the expected freight level moving forward. The consumer segment was strong during the last half of the year and the industrial segment is now expected to improve, as well.

U.S. vehicle sales: End the tough 2020 on a high note & the uptick continues.



European commercial vehicle space

(Source: European Automobile Manufacturers Association)

Overall in 2020, the EU commercial vehicle market shrank by 18.9% to reach 1.7 million units. Despite positive results in September and November, the impact of the COVID lockdowns during the first half of the year continued to weigh on the full-year performance. All EU markets posted double-digit declines in 2020, with the exception of Denmark.

New light commercial vehicles (LCV) up to 3.5t: Registrations of new vans across the European Union contracted by 17.6%, totalling 1.4 million units. Spain suffered the sharpest overall drop (-26.5%) last year, while losses were more limited in France (-16.1%), Italy (-15.0%) and Germany (-12.2%).

New heavy commercial vehicles (HCV) of 16t and over: Despite positive results in the last two months of the year, 2020 ended negatively for the heavy-truck segment, with registrations plummeting by 27.3% to 198,352 over the full year. Double-digit drops were recorded by all EU markets in 2020, with three of the four key markets posting losses of over 20%: Germany (-26.0%), France (-25.8%) and Spain (-22.1%).

New medium and heavy buses & coaches (MHBC) over 3.5t: Overall in 2020, EU demand for buses and coaches contracted by 20.3%, counting 29,147 new registrations in total. Spain (-35.9%), Italy (-24.9%) and France (-10.8%) ended the year in negative territory. Germany was the only major market that managed to post slight growth (+0.4%) last year.

Going forward: 2021 did not start on a positive note as the slide continued. In January 2021 new commercial vehicle registrations in the European Union fell by 7.2% to 141,462 units. Demand contracted in all segments, although the drop in sales of new vans had the biggest impact, as this segment made up more than 80% of total EU commercial vehicle registrations.

But February brought some cheer to the European CV sector. In February 2021, new commercial vehicle registrations in the European Union increased by 1.2% to 156,444 units. With the exception of buses and coaches, all vehicle segments made a positive contribution to last month's growth. Demand was largely driven by the Central European countries (+17.2%), given that registrations in all key Western European markets – except for Italy (+10.1%) – contracted in February.

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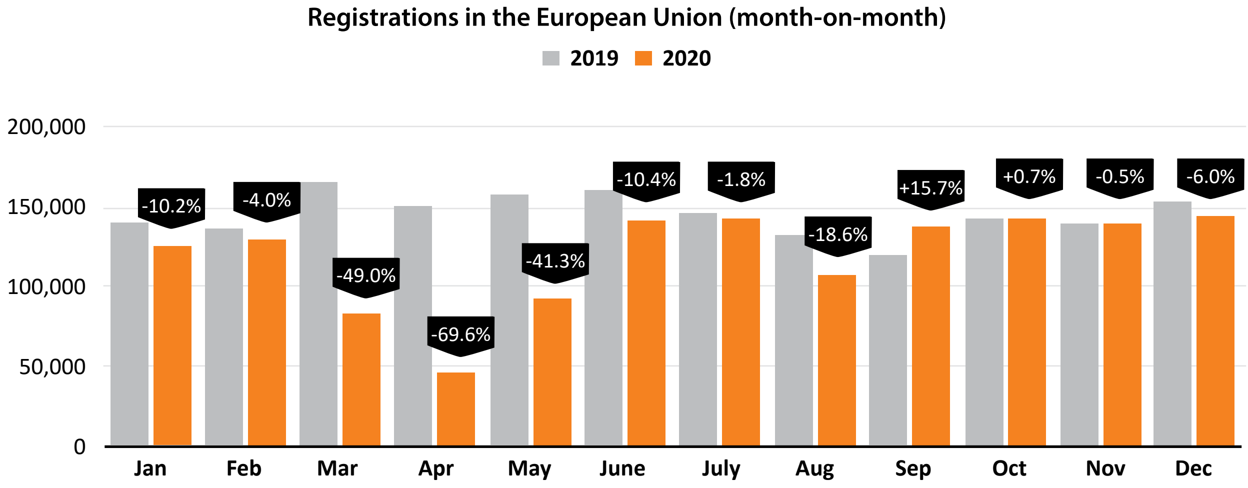


Domestic Commercial Vehicles

The automobile industry could not have had it worse. On the sales front, a deep structural slowdown in the industry even before the pandemic, combined with the impact of COVID-19 in 2020-21, has pushed all vehicle segments back by many years. Vehicle sales across categories declined by 13.6% to 1,86,15,588 units, as against 2,15,45,551 units in the year-ago period.

Hit by the COVID-19 pandemic, commercial vehicle (CV) sales in India dropped considerably - Total commercial vehicles sales declined by 20.77% to 5,68,559 units last financial year, as against 7,17,593 units in 2019-20.

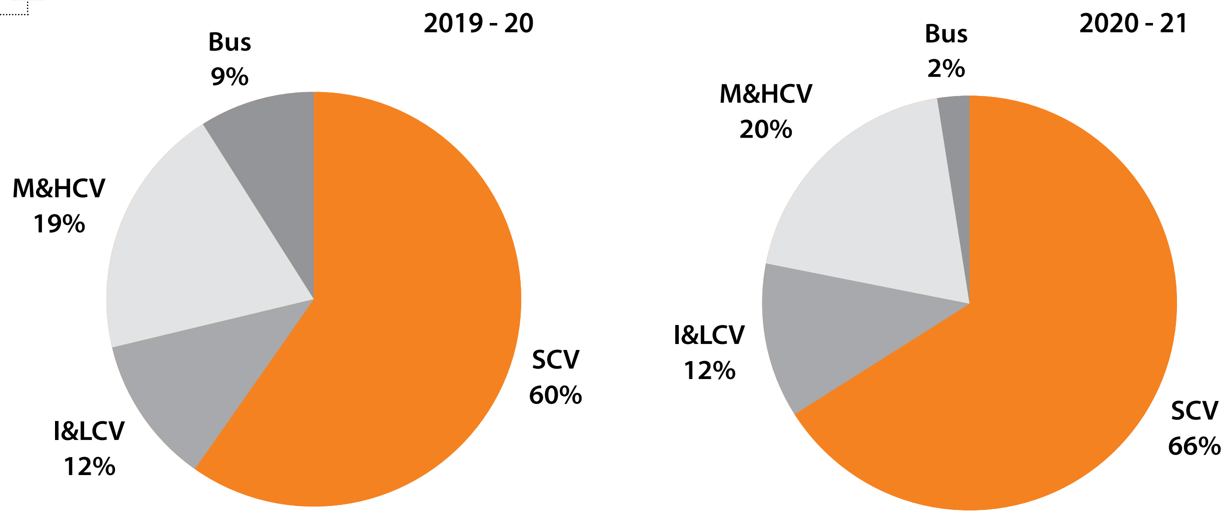
While the overall industry sales fell by around 20% - the I&LCV segment de-grew at around 17% and the M&HCV segment de-grewat around 28%.

The overall Commercial Vehicle Production dropped considerably -Total commercial vehicles production declined by 17.42% to 6,24,939 units last financial year, as against 7,56,725 units in 2019-20. The I&LCV segment de-grew at around 15% and the M&HCV segment de-grew at around 22%.

Category	Production			Domestic Sales			Exports		
	April-March			April-March			April-March		
	2019-20	2020-21	% Change	2019-20	2020-21	% Change	2019-20	2020-21	% Change
Commercial Vehicles									
M&HCVs									
Passenger carriers	44,289	10,010	-77.40	40,016	7,322	-81.70	7,859	4,040	-48.59
Goods carriers	188,125	171,232	-8.98	184,412	153,366	-16.84	14,474	13,508	-6.67
Total M&HCVs	232,414	181,242	-22.02	224,428	160,688	-28.40	22,333	17,548	-21.43
LCVs									
Passenger carriers	45,291	15,475	-65.83	45,814	12,088	-73.62	4,300	1,641	-61.84
Goods carriers	479,020	428,222	-10.60	447,351	395,783	-11.53	33,746	31,145	-7.71
Total LCVs	524,311	443,697	-15.38	493,165	407,871	-17.30	38,046	32,786	-13.83
Total Commercial Vehicles	756,725	624,939	-17.42	717,593	568,559	-20.77	60,379	50,334	-16.64

The SCV segment recovered first.However, it struggled in Jan '21 & Feb '21 due to supply issues related to semi-conductor availability before recovering in March '21. The I&LCV segment and the M&HCV segment both performed consistently above last year from Sep '20 onwards and posted their best sales in the month of Mar '21.

(Source: https://www.leaptrucks.com/blog/)



CV Contribution by Segment 2019 - 20 Vs 2020 - 21

Outlook

Sales of commercial vehicles – a barometer of economic activity – are expected to register arobust growth even as economic activity resurges post Covid 2.0. With the RBI estimating robust economic growth at about 9.5% in FY22, the prospects for the commercial vehicle appear very promising.

There are several market forces which suggest a very promising future of India's M&HCV market.

Construction: India's spending on infrastructure and construction has been the key driver for growth in the heavy-duty truck space and it dropped by almost 20% in 2020. The Government has already announced several large infrastructure projects to the tune of Rs 2,00,000 crore (USD 27.4 billion) to be executed over the next 3-5 years. Credible estimates suggest that India's construction spending will grow by 8% in 2021 and 6% in 2022. This is expected to bolster demand for commercial vehicles.

E-commerce: This is an important freight generating industry that has contributed significantly to the growth of medium-duty truck segment. India's e-commerce industry is expected to be one of the fastest growing across the globe and the current government's thrust on initiatives such as "Digital India", "Make in India" and others are expected to promote e-commerce in India. By 2034, India's e-Commerce industry is said to overtake the US e-commerce sector to become the second largest in the world.

Linked to the above-mentioned factors, India's land transport demand is estimated to grow more than 50% over the next 5 years. The government's push to develop better infrastructure is starting to bear fruit as India's highway network has grown at a CAGR of 21.4% between 2016 and 2019 and is estimated to grow at a similar rate until 2025.

Policy-driven growth: Government policies and regulations have been some of the most prominent factors in defining the Indian MHCV market's growth in recent years. GST rollout, axle-load norms revision, BSVI rollout are some of the recent key events in India's M&HCV industry all of which had a considerable impact on the market. In the coming years the government has readied two more such policies to help the market grow, the scrappage policy and production linked incentive (PLI) plan.

The scrappage policy will be rolled out in a phased manner – Phase 1 will target government owned commercial vehicles (incl. trucks and buses) coming out in April 2022. Subsequent phases will target the privately owned HCVs to start from April 2023. The government has announced incentives for owners scrapping their old trucks that include OEM discounts, and taxes and registration fee waivers.

The PLI program is aimed at promoting India as a manufacturing hub for global automotive manufacturers by incentivising them for increasing production levels. The government has

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announced a package of over INR 570 billion earmarked for the auto industry under the program. The program will help reduce India's import bill as well as increase exports out of the country while creating new jobs as well.

Estimates for the future

IHS Markit estimates India's M&HCV sales to grow over 35% in 2021 exceeding 210,000 units. Heavy-duty trucks which account for over 55% of the sales in India are estimated to continue their dominance while buses, the worst-affected segment in 2020, are estimated to be the fastest growing due to low base effect.

Railways

In a country of 1.3 billion, the Indian Railways plays an integral role running the world's fourth largest rail network in the world—across 64,000 route km, ferrying nearly 23 million passengers per day in over 13,000 passenger trains daily. With a workforce of nearly 1.3 million, it is also one of the largest employers in the world.

But the railways, in recent years, confronted with its dwindling finances, has been mulling ways of generating revenue through different streams, including the non-fare revenue segment, leasing out its vast pool of vacant land and, most importantly, opening doors for Public Private Partnership (PPP) for its trains and stations. It has felt the need to bring in private investment to upgrade its facilities and infrastructure, with an eye, also, on the competition as domestic airlines take away its AC class passengers and passengers increasingly opt to travel by road for shorter distances.

Introducing private players: The Railway Ministry on July 1, 2020, began the formal process of allowing private trains over 109 OD pairs of Indian Railways routes through the introduction of 151 modern trains - a process that aims to, for the first time, open up one of the government's most prominent enterprises.

Indian Railways plans to introduce private trains on its network in phases, with the first dozen due to start running in the 2023-24 financial year and all 151 by 2027. In its pre-bid meeting, Bombardier Transportation India, Siemens Limited, Alstom Transport India Ltd were among the 23 firms that evinced interest in running private trains in India.

The project, which is said to be the first such initiative of private investment for running passenger trains over the Indian Railways network, would entail private sector investment of around ₹ 30,000 crore.

Investments: The investment in Indian Railways has been hiked by the Government to Rs 2.15 lakh crore in the financial year 2021-22, from an amount of Rs 1.5 lakh crore in the financial year 2019-20.

LHB coaches: Indian Railway's Production unit, Rail Coach Factory, Kapurthala has created a record in the production of coaches during fiscal 2020-21. Rail Coach Factory (RCF), is one of the largest coach manufacturing unit has produced as many as 1500 coaches during the year 2020-21, of which 1,497 are LHB coaches. It manufactured 1342 coaches during last corresponding year i.e. 2019-20.

Interestingly, 1500 coaches manufactured during the year are highest in the last five years, with 1489 coaches last manufactured in 2016-17. Also, the increase in production volume is significant due to hard times of covid pandemic during which production remained suspended for a considerable time.

Also, RCF produced a Double Decker equipped with the most modern amenities that can run at a top speed of 160 kmph. RCF also rolled out Light weight Parcel coach Mark-II for quicker transportation of parcel goods.

Corporate overview

Ramkrishna Forgings is one of India's leading forging companies that have, over the years, established itself as a reliable supplier of quality forgings.

Timely investments in cutting-edge technology, capacity augmentation, and equipment modernisation has enabled the Company to earn the position of preferred supplier status with leading globally-respected OEMs operating in all over the globe. Its ability to develop customised products has created a huge product basket – widening its opportunity canvass.

Ramkrishna Forgings has established a strong presence in the global market. It successfully commenced the supplies to Tier-1 customers in the US and OEM's in Europe. To nurture strong relationships with its global business partners, the Company appointed marketing representatives in key markets.

Management Discussion And Analysis

Strengths	Weaknesses
* Proximity to raw material sources * Increased scale of operations resulting in economies of scale * Integrated facility that houses best-in-class equipment, resulting in a wide product portfolio * High-quality standards endorsed by global certifications, resulting in growing repeat and referral business * New product development leading to widening of the opportunity canvass * Investing in technology to remain cost competitive * Graduated from manufacturing components to sub-assemblies – which improves value addition	* Fragmented and unorganised industry * Dependence on the automotive industry * Relatively low focus on R&D compared to OEM's and Tier-I players
Opportunities	**Threats**
* Positioning India as a global manufacturing hub through the government's 'Make in India' mission should fuel demand for more vehicles * Rapidly expanding of city perimeters into suburban areas leads to the growing demand for mass transportation vehicles * Reduced fuel prices strengthen the relevance of road transport; lowered interest rates strengthen the case for replacement of old vehicles * Increasing need to transport products between production centers and consuming markets * Stricter implementation of the new emission, ABS braking, and anti-overloading norms * Export opportunities	* High delinquencies of fleet owners * Volatility in raw material prices

Financial & Operational performance

Performance, 2020-21

Financial Performance:

- Net Sales increased by 15.88 percent to Rs.1,28,837.52 lakhs in 2020-21 from Rs.1,11,182.02 lakhs in 2019-20.
- Export Sales increased by 18.03 percent to Rs. 51,792.42 Lakhs in 2020-21 from Rs. 43,882.30 Lakhs in 2019-20.
- EBIDTA increased by 11.83 percent to Rs. 23,453.97 lakhs in 2020-21 from Rs. 20,973.16 lakhs in 2019-20.
- PAT increased by 190.76 percent to Rs. 2,795.53 Lakhs in 2020-21 from Rs. 961.44 Lakhs in 2019-20

Performance 2020-21.

Production volumes increased to 94,645 Tons in 2020-21 from 81,894 tons in 2019-20. The total commercial vehicles production declined by 17.42% to 6,24,939 units last financial year, as against 7,56,725 units in 2019-20. The I&LCV segment de-grew at around 15% and the M&HCV segment de-grew at around 22%.

The Company was able to increase its production inspite of the fall in overall CV production in India as the Company has taken initiatives to increase the product basket with the existing customers in the domestic segment. Moreover the export sales of the Company increased by 18.03 percent in this financial year as compared to last year. In addition, the team has been working continiously on cost reduction measures and process improvements which helped in increasing cost effeciencies and improve product quality.

The team comprising metallurgist experts under the R & D continues to develop new products aligned to customer specifications, make continuous yield improvement through design and process modification which helps to reduce the raw material cost – critical for widening business horizon. In addition, the team also facilitated process changes for improving asset utilisation.

Management Discussion And Analysis

Human resource:

Intellectual capital represents its most valuable asset at Ramkrishna, from the executive level to the shop floor. In line with this, the Company has positioned employee engagement as a key priority. In order to motivate its employees the Company has implemented various initiatives which also creates a worker friendly organisation.

Training: The Company in order to align the capability matrix with the dynamic business realities has many training programmes to improve the functional and behavioural soft skills of its employees. In addition to an institutionalized training calendar, the Company encourages its team members to participate in external knowledge - sharing forums, to gain and collaborate with sector experts, to gain insights into industry best-practices and a governance - driven working culture. Training programmes are conducted round the year with the help or both internal as well as external trainers .It also facilitated in gaining insights into prevailing trends and emerging opportunities.

Training effectiveness: The Company adopts a need based capability building training requirements whose effectiveness is measured by adopting the Kirk Patrick Model for measuring training effectiveness. Pre and post training tests are conducted as a tool for gauging effectiveness and effective communication of the same is given to the employees. The performance improvement of the employee is monitored regularly to gauge the training effectiveness. This has helped in strengthening the learning culture within the organisation.

Employee engagement: Significant energy has been invested in creating a 'fun at work' environment and creating an inclusive culture for our team. The engagement initiatives include its suggestion scheme, cross functional 5S zonal competition and birthday celebrations. The Company has introduced 'Umang' initiative, a mass communication platform between the management and team members, which made considerable progress as extended discussions facilitated in growing operational and strategic awareness and cross pollination of ideas helped in improving business operations. The high engagement level within the Company helps stronger people understanding and fosters bonds beyond professional needs which interestingly works as a catalyst in growing the business. The Company also arranges inter plant tournaments to enhance the team spirit & cohesiveness among the employees.

Performance and rewards: The Company continues to make regular appraisals wherein performers are periodically recognised. It also undertakes recognition programs like the Employee of the Month, Best Suggestion & Kaizen, Maximum Attendance award. Besides, performance-linked incentive programs are introduced to nurture employee motivation.

Health protection: In order to protect the health of employees and to ensure healthy working environment, your Company has taken Group Health (Floater) Insurance policy and Group Personal Accident Insurance policy. To build its leadership pipeline, the Company undertakes a new talent management program for senior and middle management. This program aims to build leadership competencies of the selected members, enabling them to undertake a larger role in taking the organisation to the next level.

The Company has an ESOP scheme for the senior management – under which options has been vested to the senior management team -- strengthening the bond between the Company and its decision makers.

Analysis of financial statements:

Statement of Profit and Loss

Revenue from operations: The net revenues for the FY20-21 was ₹ 128,837.52 Lakhs as compared to ₹ 111,182.02 Lakhs, showing an increase of 15.88%.

Revenue from exports increased to ₹ 51,792.42 Lakhs in 2020-21 from ₹ 43,882.30 Lakhs in 2019-20 showing an increase of 18.03 %.

The revenues in export segment increased as the company has been able to increase its exposure in the European Market compared to last year by expanding its reach and product profile with the existing customers and addition of new customers. The export demand from North American market has also been robust from the existing products and the Company has also added new products with the existing clients.

The revenue in the domestic segment has increased to ₹77,045.10 Lakhs in 2020-21 from ₹ 67,299.72 Lakhs in 2019-20 inspite of the fall in the production volumes of M&HCV vehicles to 6,24,939 units last financial year, as against 7,56,725 units in 2019-20. The I&LCV segment de-grew at around 15% and the M&HCV segment de-grew at around 22%. The Company has improved the product basket with the existing customers.

Revenue mix (by user segment)

User segment	2019-20 (%)	2020-21 (%)
Automotive	40.39	41.89
Railways	4.09	3.16
Mining	4.07	4.43
Exports	38.69	40.20
Exports Incentive	1.75	1.22
Others (incl. scrap)	11.02	9.10

Management Discussion And Analysis

Operating expenses: Operating expenses (total expenses less interest and depreciation and stock variation) increased by 16.56% to ₹ 105,845.01 Lakhs in 2019-20 from ₹ 90,810.46 Lakhs in 2019-20. Operating expenses as a percentage of net sales stood at 82.15% in 2020-21 against 81.68% in 2019-20.

Cost of material consumed: Material costs increased by 14.72% from ₹ 55,610.52 lakhs in 2019-20 to ₹ 63,795.42 lakhs in 2020-21. This increase was owing to an increase in production volumes from 81,894 tons in 2019-20 to 94,646 tons in 2020-21 coupled with increase in the prices of Raw Materials.

Employee expenses: It is decreased by 4.11% from ₹ 9424.07 Lakhs in 2019-20 to ₹ 9037.03 Lakhs in 2020-21.

Finance cost: The interest liability increased marginally by 2.16%, from ₹ 7,515.17 Lakhs in 2019-20 to ₹ 7,677.53 Lakhs in FY20-21. The interest cover stood at 3.05x in 2020-21 against 2.79x in 2019-20.

Profitability and margins: The EBIDTA increased by 11.83% from 20,973.16 Lakhs in 2019-20 to ₹ 23,453.97 Lakhs in 2020-21. The EBIDTA margin on net sales decreased by 66 bps, from 18.86% in 2019-20 to 18.20% in 2020-21. The Net profit after Tax stood at ₹ 2795.53 Lakhs in 2020-21 as compared to Rs 961.44 Lakhs in 2019-20. The net margin stood at 2.17% in 2020-21 as against 0.86% in 2019-20.

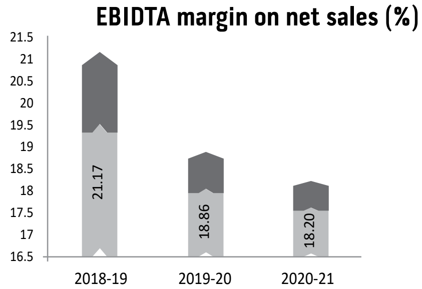
Balance Sheet :

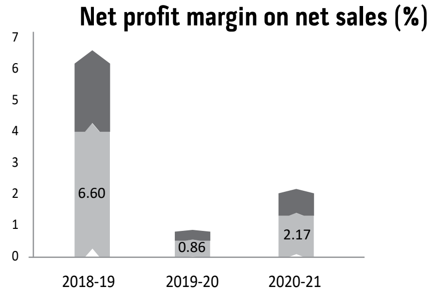
Capital employed (Total Assets less Current Liabilities excluding Current Maturities of Long Term Debt): The Capital employed in the business increased by 12.13%, from ₹ 1,54,305.98 Lakhs as on March 31, 2020 to ₹ 1,73,016.87 Lakhs as on March 31, 2021.

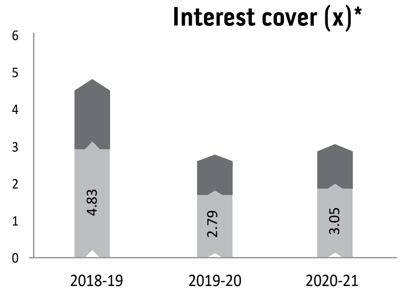
Shareholders' funds: The balance under this head increased by 1.54%, from ₹ 87,642.72 lakhs as on March 31, 2020 to ₹ 88,996.77 lakhs as on March 31, 2021. This increase was on account of plough back of business profits at the year end. The return on Net Worth increased from 1.10 in 2019-20 to 3.14 in 2020-21.

External funds: The Company's Net Debt portfolio (after adjusting cash and cash equivalents and Tata Motors recource bill discounting) increased by 12.79% from ₹ 94,880.41 Lakhs as on March 31, 2020 to ₹ 1,07,013.03 Lakhs as on March 31, 2021. The Net Debt-Equity ratio stood at 1.20x as on March 31, 2021 against 1.08x as on March 31, 2020. The Net Debt/ EBDITA stood at 4.56x as on March 31,2021 as against 4.52x as on March 31, 2020.

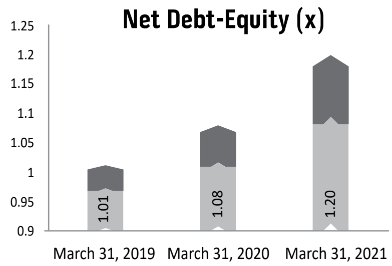
Gross block of Fixed Assets including Right to Use Assets: The Gross Block of Fixed Assets increased by 11.49% from ₹ 1,56,410.52 Lakhs as on March 31, 2020 to ₹ 1,74,375.05 Lakhs as on March 31, 2021.

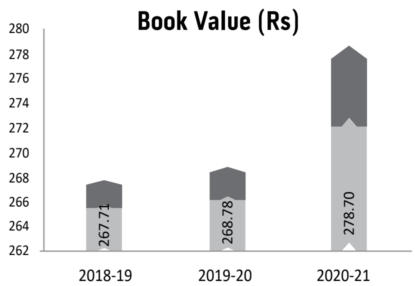


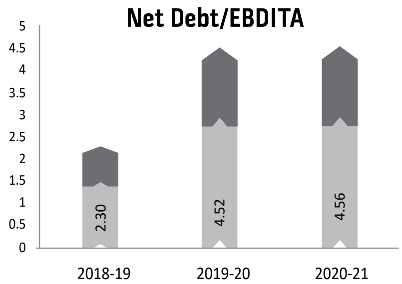




*The formula for Interest Coverage Ratio has been taken as Earnings before Interest, Depreciation & Tax (EBITDA)/Interest.







Management Discussion And Analysis

Key Financial Indicators (Rs in Lakhs except ratios)

Particulars		As at Mar 31, 2020	As at Mar 31, 2021	Percentage-Change
Net Revenue from Operations	Rs Lakhs	1,11,182.02	1,28,837.52	15.88
EBDITA	Rs Lakhs	20,973.16	23453.97	11.83
EBDITA Margin on net sales	Percentage	18.86	18.20	
Net Profit after Tax	Rs Lakhs	961.44	2,795.53	190.76
Net Profit Margin on net sales	Percentage	0.86	2.17	
Net Worth	Rs Lakhs	87,642.72	88,996.77	1.54
Total Net Debt	Rs Lakhs	94,880.41	1,07,013.03	12.79
Total Net Debt/Equity	Times	1.08	1.20	11.11
Return on Net worth	Times	1.10	3.14	185.45
Current Ratio	Times	0.99	1.08	9.09
Interest Coverage Ratio	Times	2.79	3.05	9.32
Inventory Days	Days	117	120	2.56
Receivable Days	Days	99	159	60.61
Book Value per Share		268.78	278.70	3.69

Note:

The Inventory days and the Receivable days based on net sales

The formula for Interest Coverage Ratio has been taken as Earnings before Interest, Depreciation & Tax (EBITDA)/ Interest

Internal audit and control

The Company has in place adequate systems of internal controls and documented procedures covering all financial and operating functions. These have been designed to provide reasonable assurance with regard to maintaining proper accounting control, monitoring the economy and efficiency of the Company, protecting assets from unauthorised use or losses and ensuring the reliability of financial and operational information. The internal controls are designed to ensure that financial and other records are reliable for preparing financial statements, collating other data and for maintaining accountability of assets.

Risk Management

At Ramkrishna Forgings, risk management is an integral part of its business model, focusing to mitigate the adverse impact of risks on business objectives

Demand risk

A slowdown in user sectors could impact growth prospects

Minimising risk: The Company primarily services the commercial vehicle space which is a proxy of economic activity of a nation. With economic activity regaining momentum in key markets where the Company is present, should ensure healthy flow of orders in the current year. The Company has also taken steps to increase its product basket with the existing clients in the domestic sector. The Company has also increased in focus in the export sector with addition of new clients, improving product portfolio with existing clients and entering new geographies. The Company has also set up a new fabrication facility for making coach and locomotive shells for the Railway sector.

Geographic risk

An economic slowdown in nation of its presence could impact performance.

Minimising risk: The Company has a healthy presence in key nations across the globe, namely the US, Europe and India. All three economies are gaining momentum after the recent health emergency (aggressively inoculating its people to prevent/minimise the impact of another wave of the pandemic). This geographic de-risking augurs well for the Company's performance and prospects. The Company has also taken steps to increase its presence in the South Amercian markets and Asian markets. Moreover the company has chalked out plans to increase its outreach with the existing geographies by adding new customers and increase of the product basket with existing customers.

Uncertainty risk

There could be a third wave of the pandemic in India over the coming months.

Minimising risk: Having endured the pain of an aggressive and increasingly fatal second wave, the nation is leaving no stone unturned to minimise the impact of a possible third wave. The healthcare infrastructure and supplies are being beefed up. More importantly, the nation is aggressively pushing the vaccination drive ahead to provide safety to its residents. This promises to reduce the potency, duration and economic adversity from a possibly third wave.

People risk

People scare owing to the health emergency could impact operations.

Management Discussion And Analysis

Minimising risk: The Company, as a policy, has cherry-picked its team from the local area. This prudent practice eliminated the migrant labour issue for the Company. Besides, the Company provided its team every possible facility (basic requirements and health and safety) to cope with the pandemic at its manufacturing locations. This helped the Company sustain its manufacturing operations.

Cost risk

Managing costs has become essential to survive the economic impact of the pandemic.

Minimising risk: The Company has sharpened its focus on reducing costs by eliminating wastages and improving processes. The Company has invested in automation solutions, superior equipment, creative problem-solving solutions, among others to optimise its cost sheet. It has also taken steps to improve the productivity.

Quality Risk:

Minimising risk: With business operations meticulously aligned to stringent global benchmarks (ISO 9001:2008, TS-16949: 2009, OHSAS 18001: 2007 and ISO14001: 2004 certified), the Company has minimised the incidence of quality deviation. Moreover, the passion towards process automation has also minimised human errors in business process, moreover it provides a clear audit trail for monitoring and analysing errors, to eliminate their recurrence. Further, regular customer audits of facilities further cement the quality passion into the operational and organisational culture, building trust among customers.

Cautionary statement :

Statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates, and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

Corporate Governance Report
for the Financial Year 2020-21

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2021, in terms of Regulation 34(3) read with Part C of Schedule V ofthe SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India **(Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations") and subsequent amendments thereof.**

1. Company's Philosophy on Corporate Governance

Ramkrishna Forgings Limited (RKFL) has a strong legacy of fair, transparent and ethical governance practices. The Company believes that good Corporate Governance emerges from the application of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters. The Company is fully committed to practising sound corporate governance and upholding the highest business standards in conducting business. Being a value-driven organisation, the Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

At RKFL, we also consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company. We are committed to a balanced corporate governance system, which provides the framework for achieving the Company's objectives encompassing practically every sphere of management, from action plans and internal controls to corporate disclosures. We supplement our traditionally held values of ethical behaviour and moral conduct with explicit rules and regulations that guide our efforts in financial and business excellence.

Your Company believes that it has become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit and Risk Management Committee, Auditors and the Senior Management. Our employee satisfaction is reflected in the stability and low attrition of our personnel. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, inducting competent professionals across the organisation and putting in place a robust system, process and technology.

The Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

The Company recognises the rights of its stakeholders and encourages co-operation with them in the following manner:

(i) It respects the rights of stakeholders.

(ii) Stakeholders have the opportunity to get redressed for redressal of their rights.

(iii) Stakeholders have access to relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in corporate governance process.

(iv) The Company has devised an effective whistle blower mechanism enabling stakeholders, including individual employees to freely communicate their concerns about illegal or unethical practices.

Ethics/Governance Policies

At RKFL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. These codes and policies can be accessed at the Company's website at the following link - http://www.ramkrishnaforgings.com/policies.html.

The Company also has a Risk Management Policy and Policy on prevention of Sexual Harassment.

2. Board of Directors

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. It provides strategic direction, guidance and leadership to theCompany's management and also monitors the performance of the Company with the objectives of creating a long term relationship with the Company's stakeholders. The Company has a balanced and diverse Board, which includes independent professionals and confirms to the provisions of the Companies Act, 2013 and the Listing Regulations. The Board of the Company is independent in making its decisions and also capable and committed to address conflicts of interests and impress upon the functionaries of the Company to focus on transparency, accountability, integrity and responsibility. All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 ("Act") and the Rules framed thereunder.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and Listing Regulations.

Corporate Governance Report (contd.)

- The Independent Directors can serve a maximum of two terms of five years each. The Company upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013 and Listing Regulations.

As on 31st March, 2021 the Company's Board consists of thirteen (13)Directors out of which eight (8) are Non-Executive Directors. The Company has an optimum combination of Executive and Non-Executive Directors with one (1) Independent Woman Director. It has an Executive Chairman and Eight (8) Independent Directors. None of the Independent Directors serve as Independent Director in more than seven listed companies and no Whole-Time Director of the Company serves as Independent Director in any of listed companies. Further, none of the Directors is a member of more than 10 committees or Chairman of more than 5 committees across all the listed companies in which he is a Director. Necessary disclosures regarding Committee positions in other Companies as on 31st March, 2021 have been made by the Directors. The composition of the Board is in conformity with the Listing Regulations.

The Board meets regularly to review among other things the strategic, operational and financial matters of the Company. The Board has also delegated its powers to the Committees. The Agenda of the meeting is circulated to all the Directors in advance and all material information is provided to facilitate meaningful and focussed discussion at the meeting. The Committee minutes are placed before the Board. The Board reviews the compliance of the applicable laws in the Board meeting. The budgets for the financial year is discussed with the Board and the comparison of the quarterly/annual performance of the Company vis-a-vis the budgets is presented to the Board before taking on record the quarterly /annual financial results of the Company. The Board is also given presentation covering the financial and other aspects of the Company before taking on record the quarterly /annual financial results of the Company. The Board has unrestricted access to all the Company related information including that of our employees. At Board Meetings, managers and representatives who are capable of additional insights into the items being discussed are invited. The requisite information as required is provided to the Board.

During the financial year 2021, information as mentioned in Part A of Schedule II of SEBI Listing Regulations, as applicable, has been placed before the Board for its consideration.

Meetings, Attendance, Directorships/Chairmanships

During the Financial Year 2020-21, 7 (Seven) Board meetings were held i.e. on 11.04.2020, 26.06.2020, 05.09.2020, 20.10.2020, 17.12.2020, 22.01.2021 and 27.03.2021. The gap between two consecutive board meetings did not exceed one hundred and twenty days. The details of the composition of the Board, category of Directors, attendance of each Director at the Board meeting, last Annual General Meeting and the number of Directorship and Chairmanship / Membership of Committee of each Director in other public companies are as follows:-

Name of the Director	Category	Attendance particulars		No. of Directorship and other Committee Membership/ Chairmanship (excluding RKFL)			
		Board Meeting	Last AGM	Directorship		Committee membership	Committee Chairman-ship
				Listed Company (names along with category)	Unlisted Company		
Mr. Mahabir Prasad Jalan	Promoter, Chairman, Executive	7	Yes	Nil	2	0	0
Mr. Naresh Jalan	Promoter, Managing Director, Executive	4	Yes	Nil	2	0	0
Mr. Chaitanya Jalan	Promoter, Wholetime Director, Executive	7	No	Nil	1	0	0
Mr. Pawan Kumar Kedia#	Wholetime Director, Executive	6	Yes	Nil	1	0	0
Mr. Lalit Kumar Khetan*	Wholetime Director, Executive	3	Yes	Nil	0	0	0
Mr. Padam Kumar Khaitan	Non-Executive, Independent	7	Yes	Independent Director : • Asian Hotels (East) Limited • Magadh Sugar & Energy Limited • Cheviot Co Ltd	3	1	1
Ms. Aditi Bagri	Non- Executive, Independent	6	Yes	Nil	0	0	0
Mr. Amitabha Guha	Non-Executive, Independent	7	Yes	Independent Director: Xpro India Limited	0	2	0
Mr. Ram Tawakya Singh	Non-Executive, Independent	7	Yes	Nil	0	0	0
Mr. Yudhisthir Lal Madan	Non-Executive, Independent	7	Yes	Independent Director: Pritika Auto Industries Limited	1	1	0

Corporate Governance Report (contd.)

Name of the Director	Category	Attendance particulars		No. of Directorship and other Committee Membership/ Chairmanship (excluding RKFL)			
				Directorship		Committee membership	Committee Chairman-ship
		Board Meeting	Last AGM	Listed Company (names along with category)	Unlisted Company		
Mr. Partha Sarathi Bhattacharyya	Non-Executive, Independent	7	Yes	Independent Director: • Tide Water Oil Co India Ltd • Deepak Fertilisers And Petrochemicals Corporation Ltd	4	1	3
Mr. Sandipan Chakravortty	Non-Executive, Independent	7	Yes	Independent Director: International Combustion (International) Limited	1	1	0
Mr. Ranaveer Sinha	Non-Executive, Independent	7	Yes	Independent Director: TRF Limited	0	1	1

#Mr. Pawan Kumar Kedia was reappointed as Wholetime Director for a period of 1 years w.e.f 1st April, 2020.

*Mr. Lalit Kumar Khetan was appointed in the Board w.e.f. 20th October, 2020.

Notes:

a) For the purpose of considering the limit of the Companies on which a Director can serve, all Public Limited Companies, whether listed or not, has been included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

b) For reckoning the limit of Public Limited Companies in which a person can be appointed as Director, directorship in Private Companies that are either holding or subsidiary company of a Public Company has been included.

c) Chairmanship/Membership of only Audit and Risk Management Committee and Stakeholder Relationship Committee has been considered of other Public Limited Companies.

d) The number of Directorship(s), Committee membership(s)/ Chairmanship(s) of all Directors is/are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

e) None of the Directors except Mr. Mahabir Prasad Jalan, Mr. Naresh Jalan and Mr. Chaitanya Jalan are related to each other.

f) None of the Directors have any business relationship with the Company.

g) All the Directors have certified that the disqualifications mentioned under Section 164(1) (g) of the Companies Act, 2013 are not applicable to them.

h) None of the Independent Directors hold any shares or convertible instruments in the Company, except Mr. Ranaveer Sinha, who holds 1250 shares.

i) Video-conferencing facilities are also used to facilitate Directors at other locations to participate in the meetings.

Familiarisation Programme of the Directors

RKFL has an on-going familiarization programme for all its Directors including Independent Directors. The details of familiarisation programmes to 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 available on the website of the Company at http://www.ramkrishnaforgings.com/investors/familiarzation-program-2020-21.pdf

Board Meetings

During the Financial Year 2020-21 the Company has held Seven (7) Board meetings. The details of the Board meetings are as follows:

Sl. No.	Dates	Strength	No. of Directors Present
1	11.04.2020	12	11
2	26.06.2020	12	12
3	05.09.2020	12	12
4	20.10.2020	12	11
5	17.12.2020	13	12
6	22.01.2021	13	13
7	27.03.2021	13	11

Corporate Governance Report (contd.)

Independent Directors

The Independent Directors play an important role in deliberations and decision making at the Board Meeting and bring to the Company wide experience in their respective fields. They also contribute in significant measure to Board Committees. Their Independent role vis-à-vis the Company means that they have a special contribution to make in situations where they add a broader perspective by ensuring that the interests of all stakeholders are kept in acceptable balance and in providing an objective view in instances where (potential) conflicts of interest may arise between stakeholders.

In terms of 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as per Regulation 16(1)(b) of SEBI Listing Regulations and that they are independent of the management.

None of the Independent Directors resigned during the Financial Year 2020-21.

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, and who can effectively contribute to the Company's business and policy decisions, are considered by the Nomination and Remuneration Committee for appointment as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board and in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

Meeting of Independent Directors

The Company's Independent Directors met once in the Financial Year 2020-21 on 19th March, 2021without the presence of Executive Directors or Management Personnel. Such meetings are conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views before the Board. The Chairman of the meeting of Independent Directors takes appropriate steps to present the views of the Independent Directors to the Chairman of the Board.

The Independent Directors inter alia, considered the following matters in their meeting.

- Evaluation of the performance of the Non- Independent Directors.
- Evaluation of the performance of the Board, as a whole
- Evaluation of the performance of the Chairman of the Company,
- Review of the quality of flow of information from management to the Board.
- Any other matter.

Chart setting out the skills/expertise/competence of the board of directors

The Board is the set of leaders who provide comprehensive guidance, support and direction to the company towards its success. The Board is responsible for shaping the future of the organisation within its fiduciary characteristics. Therefore, identifying the key competencies of the Board members is very much essential to ensure that the qualified persons undertake this cardinal role. Globally, identifying the key competencies of Board members is considered as the step towards a successful Board. Broadly, the key competencies or skill- set can be categorised as follows:

Competency	Definition
Strategic Expertise	Ability to understand, review and guide strategy by analyzing the company's competitive position and benchmarking taking into account market and industry trends.
Business and Financial Acumen	Qualifications and experience in finance and the ability to analyse key financial statements, critically assess financial viability and performance, contribute to strategic financial planning and oversee budgets and the efficient use of resources and oversee funding arrangements and accountability.
Risk Management	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance.
Building High Performance Teams	Build and nurture talent to create strong and competent future business leaders.
Industry Knowledge	Experience in similar industries.
Corporate Governance	Understanding of the best corporate governance practices, relevant governance codes, governance structure, processes and practices followed by the organisation.

Corporate Governance Report (contd.)

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

Expertise/ Skill of Directors

SL No.	Name of Director	Expertise/ Skill
1.	Mr. Mabahir Prasad Jalan	Strategic Expertise, Risk Management, Spearheading new projects, Industry Knowledge
2.	Mr. Naresh Jalan	Strategic Planning, Risk Management, Business and Financial Acumen, Industry Knowledge Sales & Marketing
3.	Mr. Chaitanya Jalan	Sales & Marketing, Spearheading new projects
4.	Mr. Pawan Kumar Kedia	Business and Financial Acumen.
5.	Mr. Padam Kumar Khaitan	Risk Management, Corporate Governance
6.	Ms. Aditi Bagri	Risk Management, Corporate Governance
7.	Mr. Amitabha Guha	Business and Financial Acumen, Corporate Governance, Risk Management
8.	Mr. Ram Tawakya Singh	Industry Knowledge, Corporate Governance
9.	Mr. Yudhisthir Lal Madan	Business and Financial Acumen, Corporate Governance, Risk Management
10.	Mr. Partha Sarathi Bhattacharyya	Corporate Governance, Risk Management, Business and Financial Acumen
11.	Mr. Sandipan Chakravortty	Business and Financial Acumen, Corporate Governance, Risk Management
12.	Mr. Ranaveer Sinha	Business and Financial Acumen, Corporate Governance, Risk Management
13.	Mr. Lalit Kumar Khetan	Business and Financial Acumen.

COMMITTEES OF THE BOARD

At present, there are five main Board Committees viz.

i. Audit and Risk Management Committee,

ii. Nomination and Remuneration Committee,

iii. Stakeholder Relationship Committee,

iv. Management and Finance Committee,

v. Corporate Social Responsibility (CSR) Committee

The terms of reference of the Board Committees are determined by the Board from time to time and includes the roles, powers and duties as vested under Companies Act, 2013, Listing Regulation 2015 alongwith any amendments thereof. Meetings of each Board Committee are convened by the respective Committee Chairman. The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of Committee meetings are circulated to the members of the Committees for their approval and placed in the subsequent Board meetings for noting. The role and composition of these Committees, including the number of meetings held during the Financial Year and the related attendance are provided below:

A) Audit and Risk Management Committee

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the responsibilities of the Board the Company has in place an Audit and Risk Management Committee constituted as a sub Committee of the Board in accordance with Listing Regulations and Section 177 of the Companies Act, 2013. The members of the Audit and Risk Management Committee possess financial / accounting expertise / exposure. The Audit and Risk Management Committee helps to enhance the shareholders' confidence by promoting accountability and also acts as a catalyst for effective financial and auditing practices.

Composition

The Audit and Risk Management Committee consists of three Non-Executive Independent Directors namely:

1)	Mr. Yudhisthir Lal Madan	Chairman
2)	Mr. Amitabha Guha	Member
3)	Ms. Aditi Bagri	Member

The Audit and Risk Management Committee meetings are also attended by the Finance Director, Executive Director & Chief Financial Officer (CFO), the respective Departmental Heads, if required, the Statutory Auditors and the Internal Auditors. The Company Secretary acts as the Secretary of the Committee. They can also seek legal and other professional advice as and when required.

Corporate Governance Report (contd.)

Meetings and Attendance

During the year 2020-21 the Committee has met five (5) times.

1. The details of the Audit and Risk Management Committee meetings held during the Financial Year 2020-21are as follows:

Sl. No.	Dates	Strength	Presence of Directors
1	26.06.2020	3	3
2	04.09.2020	3	3
3	19.10.2020	3	3
4	22.01.2021	3	3
5	27.03.2021	3	3

2. Attendance record at the Audit and Risk Management Committee meeting:

Name	Category	No. of Meetings held during the year	No. of Meeting(s) Attended
Mr. Yudhisthir Lal Madan	Independent, Chairman	5	5
Mr. Amitabha Guha	Independent, Member	5	5
Ms. Aditi Bagri	Independent, Member	5	5

The necessary quorum was present at all the meetings.

Terms of Reference

The terms of reference of the Audit and Risk Management Committee as stipulated by the Board are as follows:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position, sufficient and credible.

b) Recommending to the Board the appointment, reappointment, ratification and, if required, replacement or removal of the statutory auditors and the fixation of audit fees.

c) Approval of the payment to statutory auditors for any other service rendered by them.

d) Recommending the re-appointment and remuneration of the Cost Auditors.

e) Reviewing with the Management the Annual Financial Statement and Auditor's Report thereon before submission to the Board for approval, with particular reference to: :

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgement by the management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statement.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report,if any.

f) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

g) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

h) Review and monitor the Auditor's independence and performance and effectiveness of audit process.

i) Approval or any subsequent modification of transactions of the Company with related parties.

j) Scrutiny of inter-corporate loans and investments.

k) Valuation of undertakings or assets of the Company, wherever it is necessary.

l) Evaluation of internal financial controls and risk management systems.

m) Reviewing with the management, performance of Statutory and Internal auditors and adequacy of internal control systems.

n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

Corporate Governance Report (contd.)

o) Discussion with the Internal Auditors about any significant findings and follow-up thereon.

p) Reviewing the findings of the internal investigations by the Internal Auditors into the matters where there is a suspected fraud or irregularity or the failure of internal control systems of a material nature and reporting the matter to the Board.

q) Discussion with the Statutory Auditors before the audit commences, nature and the scope of the audit as well as post – audit discussions to ascertain any area of concern.

r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.

s) Reviewing the functioning of the whistle blower mechanism.

t) Approval of appointment of CFO or any other person heading the finance department or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.

u) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

v) Take note of the end use of funds raised by equity issuance.

w) Take note of the legal cases of the Company, if any.

The Chairman of the Audit and Risk Management Committee appraises the Board about the significant discussions of Audit and Risk Management Committee meeting.

B) Nomination and Remuneration Committee

In terms of Section 178 of the Act and Regulation 19 of the Listing Regulations, 2015, the Board has constituted a Nomination & Remuneration Committee ("**NRC**") to oversee the Company's nomination (appointment) process for the Board of Directors, Key Managerial Personnel and Senior Management Personnel and to decide the compensation within the broad frame-work of the group policy, merit and Company's performance. The Committee also for the implementation, administration and superintendence of the ESOP scheme(s) of the Company through a trust.

The Committee also co-ordinates and oversees the annual self-evaluation of the performance of the individual Directors including Independent Directors as per the Board evaluation policy of the Company.

Composition

The NRC comprises of four Independent Non–Executive Directors.

1)	Mr. Padam Kumar Khaitan	Chairman.
2)	Mr. Yudhisthir Lal Madan	Member
3)	Mr. Ram Tawakya Singh	Member
4)	Mr. Sandipan Chakravortty	Member

Meetings and Attendance

1. During the Financial Year 2020-21, the Committee met three (3)times as follows:

Sl. No.	Dates	Strength	Presence of Directors
1	26.06.2020	4	4
2	20.10.2020	4	4
3	22.01.2021	4	4

2. Attendance record at the Nomination and Remuneration Committee meeting:

Sl.No.	Name	Category	No. of Meetings held during the year	No. of Meetings Attended
1	Mr. Padam Kumar Khaitan	Independent, Chairman	3	3
2	Mr. Ram Tawakya Singh	Independent, Member	3	3
3	Mr. Yudhisthir Lal Madan	Independent, Member	3	3
4	Mr. Sandipan Chakravortty	Independent, Member	3	3

Terms of Reference

Terms of reference of Nomination and Remuneration Committee broadly includes the roles, powers and duties as vested under Section 178 of the Companies Act, 2013 and Listing Regulation 2015 alongwith any amendments thereof. It is also responsible for the implementation, administration and superintendence of the ESOP scheme(s) of the Company through a trust. It also comprises decision for remuneration payable to Board of Directors, Key Managerial Personnel and/or Senior Management Personnel from time to time and deciding remuneration policy of the Company.

Corporate Governance Report (contd.)

The Committee is responsible for:

i) Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for executives and reviewing it on a periodic basis;

ii) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Director and Key Managerial Personal.

iii) Recommend to the board, all remuneration, in whatever form, payable to Key Management Personnel & Senior Management.

iv) Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.

v) Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

vi) Formulating the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.

vii) Devising a Policy on diversity of Board of Directors.

viii) Specifying the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

ix) Issue necessary guidelines to the ESOP Trust for the accomplishment of the ESOP Scheme (s).

x) Determining the quantum of options to be granted/vested under any ESOP Scheme(s) as per the laid parameters;

xi) Determining the conditions under which vested options may lapse.

xii) Determining the exercise period within which the employee should exercise the option;

xiii) Determining the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others.

xiv) Determining the grant, vest and exercise of option in case of employees who are on long leave;

xv) Determining the pricing/re-pricing of the stock options.

xvi) Liaising with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors

xvii) Reviewing the ongoing appropriateness and relevance of the remuneration policy;

xviii) Ensuring that all provisions regarding disclosure of remuneration, including pensions, are fulfilled

xix) Ensuring that no Director or Executive is involved in any decisions as to their own remuneration;

xx) Such other matters as may be required to be considered as per the provisions of the Companies Act, 2013, Listing Regulations and other applicable statutes.

Details of Remuneration of Directors

The details of the remuneration paid to the Executive Directors for the financial year 2020-21 are as follows: (₹ in Lakhs)

Sl. No.	Name of Director	Salary	Others	Total
1	Mr. Mahabir Prasad Jalan	131.28	112.17	243.45
2	Mr. Naresh Jalan	110.41	68.24	178.65
3	Mr. Pawan Kumar Kedia*	18.18	18.59	36.77
4	Mr. Chaitanya Jalan	9.60	12.70	22.30
5	Mr. Lalit Kumar Khetan*	14.37	18.59	32.96
	Total	**283.84**	**230.29**	**514.13**

* Mr. Lalit Kumar Khetan appointed as Whole-time Director w.e.f 20.10.2020 and Mr. Pawan Kumar Kedia re-appointed as Whole-time Director w.e.f 01.04.2020.

Note:

(a) Mr. Mahabir Prasad Jalan is the father of Mr. Naresh Jalan and Mr Naresh Jalan is the father of Mr. Chaitanya Jalan. apart from three of them, no other Directors are in any way related to each other.

(b) Salary represents Basic Salary. Others include House Rent Allowance and other Allowances, Medical Reimbursement, Bonus, Leave Travel Allowance/Re-imbursements, Perquisites, Lease Rent, Contribution to National Pension Scheme, Leave encashment

Corporate Governance Report (contd.)

and Contribution to Provident Fund but exclude Provision for Leave Encashment and Gratuity which is based on actuarial valuation provided on overall basis in the books of accounts.

(c) The Company has paid a managerial remuneration in excess of the limits as laid down in Section 197 and Schedule V of the Companies Act, 2013 during the financial year 2020-21. The payment of the remuneration in excess of the limits requires approval of the shareholders by special resolution. The Company has sought the approval of the shareholders as mentioned above by postal ballot and the same was approved by them with an effective date of 1st April, 2020 and 31st March, 2021.

(d) The appointment of Executive Directors is governed, in general, by resolution passed by the Board, Nomination & Remuneration Committee & Shareholders of the Company which covers the terms and conditions of such appointment. No separate service contract is being/has been entered with the Company. There are no specific provisions prevailing regarding severance fee in the resolution for the appointment. The notice period is governed by the applicable provisions and guidelines.

(e) Mr. Mahabir Prasad Jalan, Mr. Naresh Jalan and Mr. Chaitanya Jalan, being the promoters (and/or belonging to promoter group) of the Company are not eligible for grant of Options under the ESOP Scheme 2015 of the Company.

(f) During the year 16,765 options has been granted to Mr. Lalit Kumar Khetan, Chief Financial Officer and Wholetime Director, as determined by the Nomination and Remuneration Committee and the Board at its meeting held on 22/01/2021 respectively and the same will be vested in the 3rd, 4th and 5th year from the date of the grant and can be exercised over a maximum period of 4 years from the date of vesting of such options.

Details of Sitting Fees to Non-Executive Directors

The Non-Executive Directors of the Company have not been paid any other remuneration apart from the eligible sitting fees for attending the meetings. The Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company. The details of the Sitting fees paid to the Non-Executive Directors for attending Board & Committee Meetings for the Financial Year 2020-21 are as follows: (₹ in Lakhs)

Sl. No.	Name of the Director	Sitting Fees for Board & Committee Meetings (incl. Independent Directors Meeting)
1	Mr. Ram Tawakya Singh	9.74
2	Mr. Padam Kumar Khaitan	9.29
3	Mr. Amitabha Guha	11.14
4	Ms. Aditi Bagri	9.62
5	Mr. Yudhisthir Lal Madan	11.32
6	Mr. Sandipan Chakravortty	8.55
7	Mr. Partha Sarathi Bhattacharyya	7.85
8	Mr. Ranaveer Sinha	7.60
	Total	**75.11**

Details of Shareholding in the Company by Directors

Details of shares of the Company held by the Directors as on 31st March, 2021 are as below:

Sl. No.	Name of Director	No. of shares held	% of Total Holding
1	Mr. Mahabir Prasad Jalan	4,56,000	1.43
2	Mr. Naresh Jalan	2,85,750	0.89
3	Mr. Chaitanya Jalan	17,420	0.05
4	Mr. Pawan Kumar Kedia	17,020	0.05
5	Mr. Ranaveer Sinha	1,250	0.00

Other than the above, none of the Directors hold any shares in the Company. No Director holds any convertible Instruments.

C. Stakeholders Relationship Committee

The Company has in place a Stakeholders Relationship Committee of Directors in terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations. The Committee specifically looks into various aspects of interest of shareholders. It considers and resolves the grievances of the shareholders of the Company including complaints related to transfer and transmission of shares, non-receipt of annual reports and non-receipt of declared dividends and such other grievances as raised by the shareholders, if any.

Corporate Governance Report (contd.)

The composition of the Stakeholders Relationship Committee is given below:

Name	Category
Mr. Ram Tawakya Singh	Independent Director, Chairman
Mr. Yudhisthir Lal Madan	Independent Director, Member
Ms. Aditi Bagri	Independent Director, Member

Meetings and Attendance

During the Financial Year 2020-21, the Stakeholders Relationship Committee met four (4) times as follows.

Sl. No.	Dates	Strength	No. of Directors Present
1	26.06.2020	3	3
2	05.09.2020	3	3
3	20.10.2020	3	3
4	22.01.2021	3	3

Attendance record at the Stakeholders Relationship Committee meeting:

Sl. No.	Name	Category	No. of Meetings held during the year	No. of Meetings Attended
1	Mr. Ram Tawakya Singh (Chairman)	Independent Director	4	4
2	Mr. Yudhisthir Lal Madan	Independent Director	4	4
3	Ms. Aditi Bagri	Independent Director	4	4

The role of the Committee inter-alia includes the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Compliance Officer

Mr. Rajesh Mundhra, Company Secretary, is the Compliance Officer and can be contacted at:
Ramkrishna Forgings Limited.
23, Circus Avenue
Kolkata - 700017

Details of complaints received and redressed:

The details regarding complaints received and resolved during the Financial Year 2020-21 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	5	5	0

D. Management and Finance Committee

Composition

The Management and Finance Committee of the Board comprises of four Directors namely,

1) Mr. Mahabir Prasad Jalan

2) Mr. Naresh Jalan

3) Mr. Padam Kumar Khaitan

4) Mr. Amitabha Guha

The Management and Finance Committee meetings are also attended by the Finance Director, Chief Financial Officer (CFO), the respective Departmental Heads, if required. The Company Secretary acts as the Secretary of the Committee.

Corporate Governance Report (contd.)

Meetings and Attendance

During the year 2020-21the Committee has met Seven (7) times as follows:

Sl. No.	Dates	Strength	Presence of Directors
1	01.06.2020	4	4
2	02.09.2020	4	2
3	05.10.2020	4	3
4.	08.01.2021	4	2
5	05.02.2021	4	2
6	24.02.2021	4	2
7	13.03.2021	4	3

Attendance record at the Management and Finance Committee meeting:

Sl. No.	Name	Category	No. of Meetings held during the year	No. of Meetings Attended
1	Mr. Mahabir Prasad Jalan	Executive Chairman	7	1
2	Mr. Naresh Jalan	Executive	7	3
3	Mr. Padam Kumar Khaitan	Independent, Non-Executive	7	7
4.	Mr. Amitabha Guha	Independent, Non-Executive	7	7

Terms of Reference

The Committee will act in accordance with the provisions of the Companies Act, Listing Regulations and any other applicable laws and also monitor and review day-to-day financial and legal matters of the Company. The Minutes of the Committee is placed at the subsequent Board Meeting for approval.

The terms of reference of the Management and Finance Committee include the followings:

1. To borrow monies (Secured and/or Unsecured) from Bank(s)/NBFC(s)/Financial Institution(s) within the limits as approved by the Board
2. To take working capital loan (Fund & Non Fund) of any amount from any Bank(s)/ NBFC(s)/ Financial Institution(s) (Secured & Unsecured)within the Maximum Permissible Bank Finance (MPBF) from time to time and car loans for employees/Directors and accept the sanction letters.
3. To borrow monies as term loans (Secured and/or Unsecured) from Bank(s)/NBFC(s)/Financial Institution(s) within the limits as approved by the Board and accept the sanction letters.
4. To undertake opening/closure of the bank account.
5. To institute or withdraw any suit or other legal proceedings, to refer to arbitration any dispute or difference and to prosecute or defend any bankruptcy or insolvency proceedings.
6. To apply for PF, ESI and any other registration/licence that will be required by the Company in the normal course of business and authorise appointment or changes in the authorised signatories for above.
7. To appoint occupier under the Factories Act.
8. Approve appointment or changes of authorized signatories for bank accounts.
9. Authorize for affixation of common seal of the company on any or all documents as required by the Bank/Banks for execution of documents.
10. Empower any of its officer/officers of the Company either singly or jointly to negotiate the terms and conditions for the sanction of loan, and to execute any documents for any facility granted by the Banks/ Financial Institutions.
11. Empower any of the officer/officers of the Company to execute/ file the requisite particulars of charge with the Registrar of Companies upon execution of the Deed of Hypothecation/Indenture/ Unattested Deed of Hypothecation or any other documents from time to time.
12. To provide Corporate Guarantee/ additional Corporate Guarantee to any Bank for enhancement of working capital for the subsidiary of the Company.
13. To create hypothecation/ mortgage over the assets of the Company.
14. To authorise the Committee to deal with such matters which has been specifically been delegated to the Committee.

Corporate Governance Report (contd.)

E. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has formulated and adopted the CSR Policy. It discusses the activities to be undertaken **(CSR Policy)**; recommend the amount of expenditure to be incurred on the activities referred and monitor the CSR Policy of the Company. The Company has formed four (4) CSR 'Yojanas' under which it expends for its CSR projects. The four Yojanas are:

1) Ramkrishna Shiksha Yojana

2) Ramkrishna Swastha Yojana

3) Ramkrishna Jankalyan Yojana

4) Ramkrishna Sanskriti Yojana

The Company Secretary acts as the Secretary of the Committee.

The Corporate Social Responsibility Committee of the Board comprises of three Directors namely:

1) Mr. Ram Tawakya Singh, Chairman
2) Mr. Mahabir Prasad Jalan, Member
3) Mr. Naresh Jalan, Member

Meetings and Attendance

During the Financial Year 2020-21, the Committee met four (4) times, the details of which are as follows:

Sl. No.	Dates	Strength	Presence of Directors
1	26.06.2020	3	3
2	05.09.2020	3	3
3	20.10.2020	3	3
4	22.01.2021	3	3

Attendance record at the Corporate Social Responsibility Committee meeting:

Sl. No.	Name	Category	No. of Meetings held during the year	No. of Meetings Attended
1	Mr. Ram Tawakya Singh	Independent, Chairman	4	4
2	Mr. Mahabir Prasad Jalan	Non Independent,Member	4	4
3	Mr. Naresh Jalan	Non Independent, Member	4	4

Terms of Reference

The scope and functions of the Committee would be as specified above to make it compatible with the requirements of Section 135(1) Companies Act, 2013

The terms of reference of the Corporate Social Responsibility Committee include the followings:-

- formulate and recommend a CSR policy to the Board, indicating the activities as specified in Schedule VII of the Act
- recommend the amount of expenditure to be incurred on the activities indicated in the policy.
- monitor the CSR policy regularly of the Company from time to time.

General Body Meetings:

The details of the last three years Annual General Meetings are given below:

Financial Year	Details of Location	Date	Time	No. of Special Resolutions Passed
2019-2020	Through Video Conferencing or Other Audio Visual Means (OAVM) from its registered office at 23, Circus Avenue, Kolkata - 700017	19.09.2020	11:30 A.M.	Nil
2018-2019	"Kala Kunj", 48 Shakespeare Sarani, Kolkata-700017	07.09.2019	11:15 A.M.	Nil
2017-2018	"Kala Kunj", 48 Shakespeare Sarani, Kolkata-700017	22.09.2018	11:15 A.M.	Nil

Corporate Governance Report (contd.)

Procedure for Postal Ballot

In compliance with the provisions of the Companies Act, 2013, read with appropriate rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, the Company provides electronic voting (e-voting) facility to all its Members. The Company engages the services of KFin Technologies Pvt Ltd, the Registrar and Share Transfer Agents of the Company for the purpose of providing e-voting facility to all its Members. The members also have the option to vote either by physical ballot or through e-voting. The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its Members in the electronic form to the email addresses registered with their depository participants and to their registered addresses (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules. Voting rights are reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The Postal Ballot is kept open for a period of 30 days and thereafter, the scrutinizer submits her/his report to the Chairperson or a person authorised by him in writing, to countersign the report, after the completion of scrutiny and the consolidated results of voting by postal ballot are then announced. The results are also displayed on the Company's website, www.ramkrishnaforgings.com, besides being communicated to the Stock Exchanges & Registrar and Share Transfer Agent. The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting.

Postal Ballot

The details of the previous postal ballots are available on the website, at http://ramkrishnaforgings.com/notice.html

Particulars	Postal Ballot (1)			Postal Ballot (2)		
Postal Ballot Notice Date	12th February, 2020			22nd January, 2021		
Completion date of dispatch of Postal Ballot Notice	2nd March, 2020			1st March, 2021		
Voting Period	Open for 30 days i.e. from 3rd March, 2020 to 1st April, 2020			Open for 30 days i.e. from 2nd March 2021 to 31st March, 2021		
Resolutions Transacted	**Sl No**	**Type of Resolution**	**Resolution**	**Sl No**	**Type of Resolution**	**Resolution**
	1	Special Resolution	Payment of remuneration to Mr. Mahabir Prasad Jalan (DIN: 00354690), Chairman	1	Special Resolution	Reappointment of Mr. Partha Sarathi Bhattacharyya (DIN: 00329479) as an Independent Director with effect from 21st May, 2021 for a second term of five consecutive years
	2	Special Resolution	Payment of remuneration to Mr. Naresh Jalan (DIN: 00375462), Managing Director	2	Special Resolution	Reappointment of Mr. Sandipan Chakravortty (DIN: 00053550) as an Independent Director with effect from 21st May, 2021 for a second term of five consecutive years
	3	Special Resolution	Payment of remuneration to Mr. Pawan Kumar Kedia (DIN: 00375557), Director (Finance)	3	Ordinary Resolution	Reappointment of Mr. Pawan Kumar Kedia (DIN: 00375557) as Wholetime Director designated as Director (Finance)
	4	Special Resolution	Appointment and payment of remuneration to Mr. Chaitanya Jalan (DIN: 07540301) as Wholetime Director designated as Director (Executive)	4	Ordinary Resolution	Appointment of Mr. Lalit Kumar Khetan (DIN: 00533671), as Director of the Company
				5	Ordinary Resolution	Appointment and payment of remuneration of Mr. Lalit Kumar Khetan (DIN: 00533671) as Wholetime Director designated as Director (Executive) for a period of 5 (Five) years w.e.f 20th October, 2020

Corporate Governance Report (contd.)

Resolutions Transacted	Sl No	Type of Resolution	Resolution	Sl No	Type of Resolution	Resolution
Scritinizer conducted the Postal Ballot Process	Asha Banthia & Co., Practising Chartered Accountants, Kolkata (Membership No. 055643) (FRN: 327389E)			Asha Banthia & Co., Practising Chartered Accountants, Kolkata (Membership No. 055643) (FRN: 327389E)		
Date of declaration of Postal Ballot Result	2nd April, 2020 (Effective date of passing the Resolution 1st April, 2020)			1st April, 2021 (Effective date of passing the Resolution 31st March, 2021)		
Link of Result placed at website	http://www.ramkrishnaforgings.com/investors/notices/postal-ballot-results-and-scrutinzer-report-2nd-april-2020.pdf			http://www.ramkrishnaforgings.com/investors/notices/postal-ballot-results-and-scrutinizers-report%E2%80%931st-April-2021.pdf		

Means of Communication:

Quarterly results: The Company's quarterly results are published in 'Business Standard' (all editions), Mint (all editions) and 'AajKaal' Bengali (vernacular) newspaper and are displayed on website www.ramkrishnaforgings.com.

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges and are displayed on website www.ramkrishnaforgings.com.

Presentations to institutional investors / analysts: Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results through earnings call. The presentations made are also uploaded on the Company's website www.ramkrishnaforgings.com.

Website: The Company's website www.ramkrishnaforgings.com contains a separate dedicated section 'Investors' where shareholder's information is available. The Company's Annual Report is also available in a user friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Director's Report, Auditor'sReport, Corporate Governance Report, Business Responsibility Report and other important information is circulated to members and others entitled thereto.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Dedicated email id –

rajesh@ramkrishnaforgings.com and

secretarial@ramkrishnaforgings.com

General Shareholders Information

Company Registration Details:

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74210WB1981PLC034281.

a) Annual General Meeting:

Date & Time	:	25th September, 2021, 11.30 A.M.
Venue	:	Through Video Conferencing
Date of Book closure	:	18th September, 2021 (Saturday) to 25th September, 2021 (Saturday) (both days inclusive).

b) Financial Calendar:

The Financial Year of the Company is April, 2020 to March, 2021.

The probable dates for the publication of the quarterly and annual results for the Financial Year 2021-2022 will be within the period as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereof.

Corporate Governance Report (contd.)

c) **Listing on Stock Exchange:**

1) BSE Limited located at P.J. Towers, Dalal Street, Mumbai – 400 001

2) The National Stock Exchange of India Limited (NSE) located at Exchange Plaza, 5th Floor, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

The Company confirms that it has paid the Annual Listing Fees to both the Stock Exchanges.

d) **Stock Code:** The scrip code as provided by BSE Limited is **532527**

The symbol as provided by National Stock Exchange is **RKFORGE**

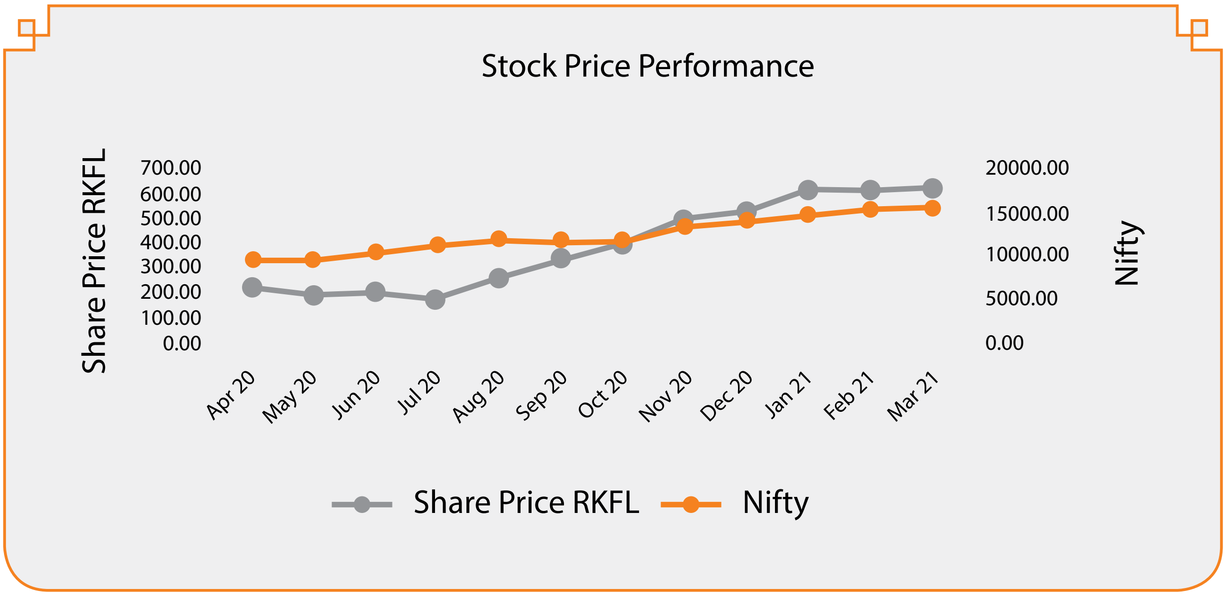
The ISIN no. as provided by the Depositories is **INE399G01015**

e) **Market Price Data and the performance in comparison to NSE (NIFTY) and BSE (SENSEX)**

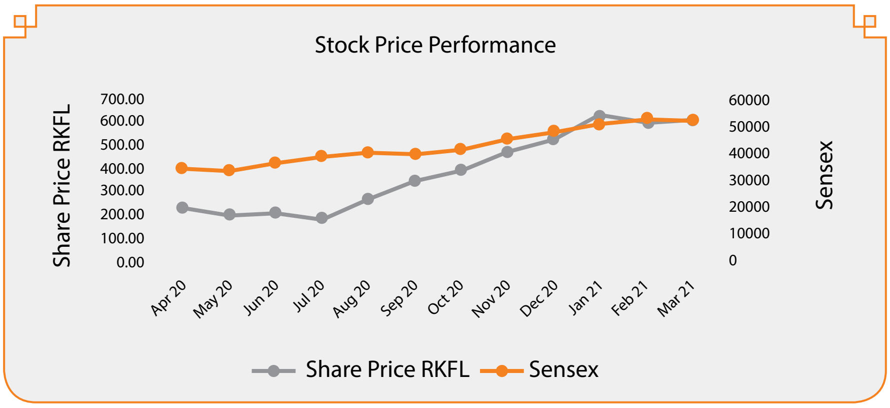
The high and low closing prices during each month of the year 2020-2021 at NSE and BSE and the NSE NIFTY and Sensex are as given below:

	SHARE PRICE NSE		SHARE PRICE BSE		S & P CNX NIFTY		SENSEX	
Months	**High Price**	**Low Price**	**High Price**	**Low Price**	**High**	**Low**	**High**	**Low**
Apr, 20	217.40	133.45	224.00	135.90	9889.05	8055.80	33887.25	27500.79
May, 20	194.40	150.20	195.05	148.10	9598.85	8855.30	32845.48	29968.45
Jun, 20	204.05	152.20	204.00	158.00	10553.15	9706.95	35706.55	32348.10
Jul, 20	178.55	140.50	178.00	140.65	11341.40	10299.60	38617.03	34927.20
Aug, 20	259.00	143.00	257.75	147.15	11794.25	10882.25	40010.17	36911.23
Sep, 20	341.45	215.25	342.00	206.00	11618.10	10790.20	39359.51	36495.98
Oct, 20	390.00	312.60	388.00	315.15	12025.45	11347.05	41048.05	38410.20
Nov, 20	486.00	335.65	466.80	336.25	13145.85	11557.40	44825.37	39334.92
Dec, 20	519.95	431.65	519.00	430.00	14024.85	12962.80	47896.97	44118.10
Jan, 21	610.00	469.10	615.00	469.40	14753.55	13713.25	50184.01	46160.46
Feb, 21	610.00	495.05	594.00	497.00	15431.75	13661.75	52516.76	46433.65
Mar, 21	606.00	480.95	604.45	484.85	15336.30	14414.25	51821.84	48236.35

Comparison chart of (high) price performance of the Company with Nifty



Comparison chart of (high) price performance of the Company with Sensex



f) **Registrar and Transfer Agents: M/s. K Fintech (P) Ltd.**
Selenium Tower B, Plot 31-32, Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad - 500 032
Tel: +91 040 - 18003454001
E mail: shyam.kumar@kfintech.com, einward.ris@kfintech.com
Website: www.kfintech.com

g) **Share Transfer System:**

The shareholders submit their share transfer related documents to the Share Registrar and Transfer Agent whose address is mentioned in the record. The Board has delegated the power to transfer the shares to the Company Secretary, who in turn will provide report to the Stakeholders Relationship Committee.

Share transfers are processed and share certificates duly endorsed are delivered within in time. All kinds of investors related services both for physical as well as electronic segments are provided from the share registry.

Half –yearly certificate on compliance of share transfer formalities is obtained from Practising Company Secretary pursuant to Regulation 40 (9) & (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a copy of the certificate is filed with the Stock Exchanges in time.

h) **Distribution of shareholding as on 31st March, 2021**

Category (Shares)	No. of Holders	No. of Shares	% of Total Shares
1 - 500	8826	639224	2.00
501 - 1000	460	359660	1.12
1001 - 2000	268	405793	1.27
2001 - 3000	101	249698	0.78
3001 - 4000	59	211030	0.66
4001 - 5000	34	154668	0.48
5001 - 10000	71	521560	1.63
10001 and above	121	29436274	92.06
TOTAL	**9940**	**31977907**	**100.00**

Pattern of Shareholding as on 31st March, 2021

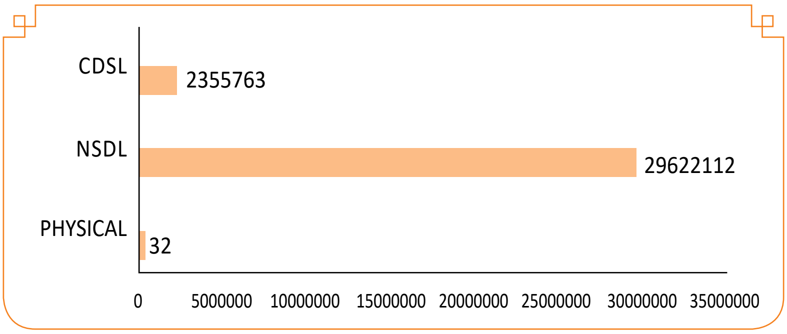
Sl. No	Category	No. of Shares Held	% of Total Shares
1	Promoters Group	14677894	45.90
2	Foreign Portfolio - Corp	4168846	13.04
3	Alternative Investment Fund	625861	1.96
4	Clearing Members	67516	0.21
5	Qualified Institutional Buyer	25000	0.08
6	Foreign Corporate Bodies	774988	2.42
7	Foreign Portfolio Investors	30500	0.09
8	IEPF	2117	0.01
9	Bodies Corporates	2704521	8.46
10	Mutual Funds	2536553	7.93
11	Non Resident Indians	188443	0.59
12	Resident Individuals	5862001	18.33
13	Employee Trusts	144273	0.45
14	HUF	169394	0.53
	Total	**31977907**	**100.00**

Corporate Governance Report (contd.)

i) Dematerialisation of Shares as on 31st March, 2021

Description	No. of Shareholders	Shares	%
PHYSICAL	11	32	0.00
NSDL	4884	29622112	92.63
CDSL	5045	2355763	07.37
Total:	**9940**	**31977907**	**100.00**

The shares of the Company are traded only in dematerialised form 31977875 Equity shares out of the total 31977907 Equity shares are held in a dematerialised form as on 31st March, 2021.



j) Outstanding GDRs / ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31st March, 2021.

k) Disclosure of commodity price risks and commodity hedging activities –

The Company does not have any commodity price risks and hence is not required to undertake any hedging activities.

l) Plant Locations:

1.	Plant I	: Plot No. M-6, Phase VI, Gamaria, Jamshedpur - 832108. Jharkhand.
2.	Plant II	: 7/40, Duffer Street, Liluah, Howrah- 711204, West Bengal.
3.	Plant III & IV	: Plot No. M-15,16 and NS-26, Phase – VII , Industrial Area, Adityapur,
4.	Plant V	: Baliguma, Kolabira, Saraikela – Kharsawan – 833220, Jamshedpur- 832 109, Jharkhand.
5.	Plant VII	: Plot No.1988, Plant- VII, Mauza Dugni, Block- Saraikela, PO: Dugni, Saraikela Kharsawan, Jharkhand - 833220

m) Address for correspondence:

i) For shares held in physical and demat form:

M/s. K Fintech Private Limited
(Formerly known as Karvy Fintech Private Ltd)
Selenium Tower B, Plot 31-32, Gachibowli Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad - 500 032, Telangana, India.
Tel: + 040 - 18003454001
E mail: shyam.kumar@kfintech.com, einward.ris@kfintech.com
Website: www.kfintech.com

ii) For General Information:

M/s. Ramkrishna Forgings Limited
23, Circus Avenue, Kolkata - 700017
West Bengal
Tel: +91 33 4082 0900/0999
Fax: +91 33 4082 0998
E mail: secretarial@ramkrishnaforgings.com
Website: www.ramkrishnaforgings.com

n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year

The long term rating from ICRA has been revised from A- (Negative outlook) to A– (Stable Outlook) and the Short term rating has been retained as A2+, during the year under review.

o) Other Disclosures

a) Disclosure on materially significant Related Party Transactions –

Your Company places the statement of the related party transactions at every Audit and Risk Management Committee meetings. The Register of Contracts containing the transactions in which the Directors are interested is placed at the Board meetings. The disclosures of the related party transaction in compliance with the Ind AS-24 are set out in Note. 39 of the notes to accounts. During the year the Company did not have any material pecuniary relationship or transactions with Non–Executive Directors apart from payment of the sitting fees.

There were no materially significant related party transactions and none of the transactions are likely to have any conflict with the Company's interest. All related party transactions are negotiated on an arm's length basis and are intended to further Company's interest.

The Related Party Transactions Policy is posted at http://ramkrishnaforgings.com/investors/policy/policy-for-transactions-with-related-parties-2019.pdf

b) Details of Non Compliance etc.

The Company is fully compliant with the applicable mandatory requirements of Listing Regulations and also with other regulatory requirements on capital markets during 2018-2019, 2019-2020 and 2020-2021.

There are no penalties or strictures being imposed on the Company by the SEBI or any other Statutory Authorities on the Company except Stock Exchanges in respect of matters specified below:

The Company under Regulation 29 of SEBI (LODR) Regulations, 2015 failed to give prior intimation to the stock exchanges of Board Meeting wherein in-principle approval for issuance of unlisted Securities was granted. The Stock Exchanges imposed fine for the same which was paid by the Company.

c) Vigil Mechanism/ Whistle Blower Mechanism

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and Employees to report to the Audit and Risk Management Committee about the unethical behaviour, fraud or violation of Company's Code of Conduct. The Company affirms that no personnel have been denied access to the Audit and Risk Management Committee. A statement of complaints received, if any, under the vigil mechanism is also placed on a quarterly basis before the Board. The said policy is also available on the website of the Company. Link - http://www.ramkrishnaforgings.com/policies.html

d) Compliance of mandatory requirements

The Company has complied with the mandatory requirements as prescribed in Part C of Schedule V of the Listing Regulations.

e) Policy on Material Subsidiary

In terms of Regulation 16 of the Listing Regulations, the Board of Directors has adopted a policy with regard to determination of the material Subsidiary. The Policy is placed on the website of the company and is available at the Link http://ramkrishnaforgings.com/investors/policy/material-subsidiary-company-policy.pdf

f) Policy on related party transactions–

In terms of Regulation 23 of the Listing Regulations, the Board of Directors has adopted a policy on related party transactions. The Related Party Transactions Policy is posted at http://ramkrishnaforgings.com/investors/policy/policy-for-transactions-with-related-parties-2019.pdf

g) Disclosure of commodity price risks and commodity hedging activities –

The Company does not have any commodity price risks and hence is not required to undertake any hedging activities.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement–

No money has been raised through preferential allotment or qualified institutions placement during the year under review.

i) Certificate from company secretary in practice that none of the Directors have been debarred or disqualified from being appointed or continuing as directors–

The Company has obtained a certificate from Ms. Nidhi Jajodia, Practising Company Secretary, stating that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

j) Instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required.

There have been no such instances in the relevant financial year.

Corporate Governance Report (contd.)

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network.

The total fees payable to M/s. S.R. Batliboi & Co. LLP (Statutory Auditors of the Company) for the year ended March 31, 2021 is Rs. 70.04 lakhs (exclusive of GST) and to M/s S. K. Naredi & Co. for the year ended March 31, 2021 is Rs. 5.78 Lakhs (exclusive of GST) as Audit Fees. The details of the same are mentioned in note no. 30 of the notes to accounts.

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part for the year ended 31st March, 2021 is Rs. 5.63 Lakhs (exclusive of GST) for other services.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with all the requirements as stipulated in para 2 to para 10 of Part C of Schedule V of the Listing Regulations

m) Disclosures of the compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (B) To (I) of Sub-Regulation (2) of Regulation 46

Regulation Status (Yes/No)	Particular of Regulations	Compliance
17	Board of Directors	Yes
18	Audit and Risk Management Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including Senior Management, KMP, Directors & Promoters	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b)to (i)	Website Website	Yes

n) Code of Conduct:

The Board at its meeting held on 1st November, 2014 had adopted a revised Code of Conduct which lays down the procedures to be adhered by the Board Members and Senior Management Employees. The Code is applicable to all Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code of Conduct is available on the Company's website i.e. www.ramkrishnaforgings.com. The Code has been circulated to Directors and Senior Management Personnel, and they have affirmed compliance with the Code.A status of the violation of the code of conduct, if any, by the Directors or senior management is placed on a quarterly basis to Board.The declaration that the Code of Conduct has been complied by the Board and the senior management is given below.

Declaration by the CEO under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct.

In accordance with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliances with the Code of Conduct of the Company for the year ended 31st March, 2021.

For **Ramkrishna Forgings Limited**
Sd/-
Naresh Jalan
(Managing Director)
DIN - 00375462

Corporate Governance Report (contd.)

o) Compliance certificate from the auditors

Certificate from the Company's Auditors, S.R. Batliboi& Co. LLP, confirming compliance with the conditions of Corporate Governance, as stipulated under Listing Regulations, is attached to this Report.

p) CEO / CFO Certification

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and the CFO & Executive Director of the Company have certified to the Board regarding compliance of matters specified in Regulation 17 (8) read with Part B of the Schedule II of the Listing Regulations.

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27(1) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A. **THE BOARD:** The Chairman of the Company is an Executive Director.

B. **SHAREHOLDERS' RIGHTS:** The Company, as of now, does not send half-yearly results to the household of the shareholders. However, the Company displays its quarterly and half-yearly results on its website www.ramkrishnaforgings.com and publishes it in the widely circulated newspapers.

C. **AUDIT QUALIFICATIONS:** The auditors have not qualified the financial statements of the Company.

D. **SEPARATE POST OF CHAIRMAN AND MANAGING DIRECTOR/CEO:** The Company is having separate post of Chairman and Managing Director. Mr. Mahabir Prasad Jalan is the Chairman and Mr. Naresh Jalan is the Managing Director of the Company.

E. **REPORTING OF INTERNAL AUDIT:** The Internal Auditors regularly updates and reports to the Audit and Risk Management Committee about the internal audit findings.

CERTIFICATE UNDER PART C OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This Certificate is issued Pursuant to Clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated May 9, 2018 of the Securities and Exchange Board of India.

I have examined the compliance of provisions of the aforesaid Clause 10(i) of Part C of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the disclosures received from the Directors pursuant to Section 164(2)and rule 14(1) of Companies Appointment and Qualification of Directors) Rules, 2014 and on the basis of the information provided to me, I hereby certify that none of the Directors on the Board of M/s Ramkrishna Forgings Limited have been debarred or disqualified from being appointed or are continuing as directors, by SEBI or Ministry of Corporate Affairs or any such statutory authority.

Sd/-

Nidhi Jajodia
Company Secretary in Practice
ACS : 60485
C.P. No. : 22658
UDIN : A060485C000276107

Place: Kolkata
Date: 11/05/2021

Independent Auditor's Certificate on Corporate Governance

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of
Ramkrishna Forgings Limited
23 Circus Avenue
Kolkata - 700 017.

1. The Corporate Governance Reportprepared by Ramkrishna Forgings Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2021as required by the Company for annual submission to the Stock Exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for special purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtainedand verified that the composition of the Board of Directors with respect to executive and non-executive directorshas been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31, 2021 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following committee meetings held April 1, 2020 to March 31, 2021:

      (a) Board of Directors;

      (b) Audit and Risk Management Committee;

      (c) Annual General Meeting (AGM)/ Extra Ordinary General Meeting (EGM);

      (d) Nomination and Remuneration Committee;

      (e) Stakeholders Relationship Committee;

      (f) Corporate Social Responsibility Committee;

   v. Obtained necessary declarations from the directors of the Company.

Corporate Governance Report (contd.)

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This reportis neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Sd/-
per **Sanjay Kumar Agarwal**
Partner
Membership Number: 060352
UDIN:21060352AAAABH1335
Place of Signature: Kolkata
Date: May 15, 2021

Business Responsibility Report

About this report

The Securities and Exchange Board of India (SEBI) as per its Listing Obligations and Disclosure Requirements Regulations, 2015 had mandated the inclusion of a "Business Responsibility Report" (BRR) as a part of the Company's Annual Report for top 500 listed entities based on market capitalization at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). SEBI further expanded the ambit of Business Responsibility Reporting (BRR) by notification No. SEBI/LAD-NRO/GN/2019/45 dated 26.12.2019 by including top 1000 (instead of 500) listed entities based on market capitalization at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

As per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report shall contain a business responsibility report describing the initiatives taken by the listed entity from an environmental, social and governance perspective in a reporting format based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011, which contains 9 Principles and Core Elements for each of the those 9 Principles.

Following is the Business Responsibility Report of Ramkrishna Forgings Limited which is based on the format suggested by the SEBI.

Section A : General Information about the Company

1) Corporate Identity Number (CIN) of the Company : L74210WB1981PLC034281
2) Name of the Company: Ramkrishna Forgings Limited
3) Registered address : 23, Circus Avenue, 9th Floor, Kolkata – 700017
4) Website : www.ramkrishnaforgings.com
5) E-mail id : rajesh@ramkrishnaforgings.com
6) Financial Year reported : 2020-21
7) Sector(s) that the Company is engaged in (industrial activity code-wise) – 259 Manufacturer of Forgings
8) List three key products/services that the Company manufactures/provides (as in Balance Sheet) –Steel Forgings, Front Axles Beams and Knuckles.
9) Total number of locations where business activity is undertaken by the Company
   a) Number of International Locations (provide details of major 5) – 3 Mexico, USA & Europe.
   b) Number of National Locations – 2
10) Markets served by the Company – Local/State/National/ International India, USA, Mexico, Brazil, Sweden, Germany, Spain, Italy, Turkey, Thailand, Australia, Belgium & Scotland.

Section B : Financial Details of the Company

1) Paid up Capital (INR) : 31.97 Crores (excluding ESOP effect)
2) Total Turnover (INR) : 1,292.98 Crores
3) Total Profit after Taxes (INR) : 27.95 Crores
4) Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) - Please refer to **Annexure C** of the Board's Report.
5) List of activities in which expenditure in 4 above has been incurred:-

   Please refer to **Annexure C** of Board's Report.

Section C : Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has 3 (Three) direct subsidiaries as on 31st March, 2021.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) :	Given the current size and scale of operations, subsidiary companies, as of now, they are not engaged in BR initiatives process of the Company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR Initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30- 60%, More than 60%]	The other entities that the Company does business with are not directly included in the BR initiatives of the Company.

Business Responsibility Report (contd.)

Section D : BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director responsible for implementation of the BR policy/policies

i) DIN : 00375462

ii) Name : Mr. Naresh Jalan

iii) Designation : Managing Director

b) Details of the BR head :

No.	Particulars	Details
1.	**DIN Number (if applicable)**	00375462
2.	**Name**	Mr. Naresh Jalan
3	**Designation**	Managing Director
4	**Telephone number**	033 – 40820900
5	**E-mail ID**	naresh@ramkrishnaforgings.com

2. Principle - wise (as per NVGs) BR Policy/policies

The Company's policies are in line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) which provides the following (09) nine areas of Business Responsibility to be adopted by the organisation:

Principle 1	Ethics, Transparency & Accountability	Principle 6	Environment
Principle 2	Products Sustainability	Principle 7	Public Policy
Principle 3	Employees' Well-being	Principle 8	Inclusive Growth
Principle 4	Stakeholders Engagement	Principle 9	Customer Relations
Principle 5	Human Rights		

(a) Details of compliance

		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company.								
3	Does the policy conform to any national /international standards? If yes, specify?	Yes, as stipulated by the applicable provisions of the regulations of the Securities and Exchange Board of India and the Companies Act, 2013. The Company has also adopted various standard specified by the International Organization for Standardization (ISO). The same can also be found on the website of the Company at the following link - http://www.ramkrishnaforgings.com/certifications.html								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	All the policies have been approved by the Board and have been signed by the Managing Director of the Company.								
5	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	These policies are administered and supervised by the management of the Company through a robust internal governance structure.								
6	Indicate the link for the policy to be viewed online?	http://ramkrishnaforgings.com/investors/policy/business-responsibility-report-policy.pdf								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Communication is on-going process. For this purpose, the Policy has been posted on the Company's website for information of all the internal and external stakeholders of the Company.								
8	Does the company have in-house structure to implement the policy/ policies	Yes, the Company has necessary structure in place to implement the policy.								

Business Responsibility Report (contd.)

9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes, the Company has necessary grievance redressal mechanism, to address the grievance of the relevant stakeholder.
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The policies on Quality, Safety & Health and Environment are subject to internal and external audits as part of certification process and ongoing periodic assessments.

(b) If answer to the question at serial number1 against any principle, is 'No', please explain why – N.A

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Board assesses the BR performance of the Company annually
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Business Responsibility Report is published annually as part of the Annual Report. It can be assessed at the Company's website at http://ramkrishnaforgings.com/annual-report.html

Section E: Principle - Wise Performance

Principle 1- ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relatingto ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others

Our philosophy is based on the trusteeship, transparency and accountability. We believe that it is imperative for us to manage our business affairs in the fairest and transparent manner with a firm commitment to our values. Any business without ethics cannot win the trust of the stakeholders.

The policy relating to ethics, bribery and corruption is applicable only to the Company. The Company's Code of Conduct affirms its commitment to the highest standards of integrity and ethics. The copy of the same is available on the website of the Company at http://ramkrishnaforgings.com/investors/code-of-conduct.pdf.

Your Company also has a Whistle Blower Policy which allows employees to bring to the attention of the management, promptly and directly, any unethical behaviour, suspected fraud or irregularity in the Company practices, leak of unpublished price sensitive information with respect to the Company, etc. The copy of the same is available on the website of the Company at http://ramkrishnaforgings.com/investors/policy/whistle-blower-policy.pdf.

The Company encourages and expects the parties associated with its value chain partners like vendors, supplier, contractors, employees, etc. to follow the Code of Business Conduct and principles envisaged in the policy for their interactions with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the financial year 2020-21, 5 shareholder complaints were received by the Company and all of which were duly resolved. No complaint is pending as on 31st March, 2021. The Company has not received any complaints in connection with ethics, bribery or corruption during the financial year.

Principle 2 - SAFETY AND SUSTAINABILITY

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Refer to Section A of Business Responsibility Report.

2. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.

Ramkrishna Forgings Ltd has a well-defined and documented procedure for vendor approval.The Company procures all raw materials only from approved indeginious domestic vendors. The Company's supplier selection, assessment and evaluation process includes elements of sustainability. This includes initial supplier survey and continuous risk assessments.

Business Responsibility Report (contd.)

3. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   Local sourcing reduces costs, provides local employment benefits and reduced environmental footprint in sourcing. The Company has a network of medium enterprises around its factory which complements our manufacturing capability. Quality of our final product depends on the capability of our inputs and therefore, due steps are taken to ensure quality of inputs received from Vendors. The Company's contractor who supplies labour services for plant operations employ workmen from nearby communities.

4. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so**

   The production process of the Company is based on principles of optimising the material and energy resources. It has taken various initiatives like:

   - Recycling of the forging flash.
   - Waste heat is recovered using regenerative burners resulting in reducing the fuel combustion.
   - Recycled water from sewage treatment plant is used for maintenance of greenery in the Plant.
   - Implantation of rain water harvesting.
   - Disposal of the hazardous waste to authorised agencies.
   - Recycling of packing boxes.
   - Monitoring of the waste generation and taking steps for reduction of the same.

Principle 3 - WELL BEING OF ALL EMPLOYEES

1. Please indicate the Total number of employees - 1896
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis - 2740
3. Please indicate the number of permanent women employees – 20
4. Please indicate the number of permanent employees with disabilities - Nil
5. Do you have an employee association that is recognized by management- Yes
6. What percentage of your permanent employees is members of this recognized employee association?–24.63%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sl. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Sl No.	Particulars	Safety Training (% age)	Job Skill Training (%age)
1	Permanent Employees	37.92	78.90
2	Permanent Women Employees	45.00	65.00
3	Casual/Temporary/Contractual Employees	58.14	28.28
4	Employees with Disabilities	Nil	Nil

Principle 4- RESPECTING AND PROTECTION OF STAKEHOLDERS' INTEREST

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes, the principal stakeholders of the Company are its employees, shareholders, suppliers, customers, vendors, government and regulatory authorities, associates, etc. These stakeholders are mapped through systematic communication platforms which helps us to understand the customer needs and the improvement opportunities for the Company in all aspects.

Business Responsibility Report (contd.)

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes, the Company identifies communities around our manufacturing facilities at Jharkhand. We help to provide vocational training to the rural youth and skills based trainings to the graduate engineers for their employability.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has always made special efforts for the people and communities residing in the nearby vicinity of the plant locations to enable them to improve their living. The Company understands the need for promoting education, health, growth and development of the lower socio-economic sections of society including children and had drawn up various activities to promote education, health, growth and development of society. The details of the initiatives taken in this regard are listed in Annexure C to the Annual Report.

Principle 5 - RESPECTING AND PROMOTING HUMAN RIGHTS

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

The Company does not have a stand-alone policy for human rights. The policies and their implementation are directed towards adherence to applicable laws and to uphold the spirit of human rights.

However the internal policies of the Company on Code of Conduct and CSR recognizes the key aspects of human rights which lays down the acceptable behaviour of the employees and provides for stringent disciplinary actions in case of violations of these policies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received pertaining to human rights violations during the year.

Principle 6 - PROTECTING, PRESERVATION AND RESTORING THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

Yes the policy extends to its all interested parties which includes company employees, group companies, subsidiaries, suppliers, contractors and others.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes. As part of its endeavour of contributing towards reducing carbon footprint and ensuring sustainability across all operations, the Company focuses on various initiatives like: using bio fuels, modern regenerative combustion technology, recycled water, reduced cycle waste and adoption of eco-friendly waste disposal.

The Company also has an enviroment policy which is is available on the following link:http://ramkrishnaforgings.com/policy/ems-policy.pdf.

3. Does the company identify and assess potential environmental risks?

Yes, the Company has the risk management mechanism in place to identify and assess the existing and potential risks across its operations. The Company has all the environmental clearance for its operation.

Environment risks are covered in the Company's principles that are based on ISO 14001, ISO 45001 and BS OHSAS 18001 standards. Every unit or plant implements the following :

(i) EHS risks and opportunities

(i) Identification and evaluation of EHS aspects and requirements

(iii) Legal obligations & other requirements

(iv) EHS emergency management, and

(v) Environment management programmes are taken at high risks areas.

Once risks are identified, steps are taken to measure and mitigate these risks through EHS management system approach.

Link to ISO 14001, 45001 and BS OHSAS 18001 certifications: http://ramkrishnaforgings.com/certifications.html

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Yes. The Company is contributing towards 'Clean India Mission'. The Company is promoting cleanliness by maintaining dustbins for waste disposal. This has helped in igniting the spark of awareness and promoting behavioural activities.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   The Company regularly strives to continually improve performance, especially through emphasizing on prevention of pollution.

   The Company has undertaken various initiatives for renewable energy and sustainability development like solar power.

   The various initiatives taken by the Company on - clean technology, energy efficiency, renewable energy is available on the following link: http://ramkrishnaforgings.com/images/certificates/P1-EC-Compliance-March-2021.pdf and http://ramkrishnaforgings.com/images/certificates/P5-EC-Compliance-March-2021.pdf.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, all emissions / waste generated are regularly monitored quarterly and ensured for being within the permissible limit as per Jharkhand Pollution Control Board Consent norms.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**

   Nil

Principle 7 - RESPONSIBILITY TOWARDS PUBLIC AND REGULATORY POLICY

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is a member of :

   (i) Confederation of Indian Industry (CII)

   (ii) Automotive Component Manufacturers ASSOCIATION (ACMA)

   (iii) Singhbhum Chamber Of Commerce

   (iv) Adityapur Small Industries Association

   (v) Indo America Chamber Of Commerce

   (vi) Federation of Indian Chambers of Commerce and Industry (FICCI)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Your Company is associated with above institutions with an intention of mutual learning and contribution in development of processes. As and when required, the Company put forth its views on the issues faced by the industry with respective business forums and chambers.

Principle 8 - INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. The Company has aligned its CSR programmes/ initiatives/ activities with the requirements of Companies Act, 2013. The Company's CSR activities are being monitored by the Corporate Social Responsibility Committee constituted by the Board. The details and impact of the CSR programmes/ initiatives/ activities taken by the Company in the recognized fields are detailed in the CSR annexure attached to the Annual Report of the Company.

2. **Are the programmes/projects undertaken through in house team/own foundation/external NGO/government structures/any other organization?**

   The Company carries such programmes/ initiatives/ activities majorly through a Foundation (Trust) established for this purpose and strives to ensure a better quality of life for the people while contributing towards a strong economy. All our CSR efforts

Business Responsibility Report (contd.)

stem from our well-articulated Corporate Social Responsibility (CSR) Policy and focus on some of the key priorities of the communities. Assistance of external agencies / expert may be taken as and when required.

3. Have you done any impact assessment of your initiative?

Yes, the Company internally performs an impact assessment of its initiates on a periodical interval to understand the efficacy of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken.

Details of amount spent by the Company by way of CSR Programmes towards the development of the Community have been provided in Annexure C of the Directors' Report for the financial year 2020-21.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so

The Company undertakes CSR activities after assessing the needs of the community. Further, all CSR activities are rolled out directly to the society. The Company believes that they will benefit the society at large. This helps in increased reach as well as ensuring the adoption of initiative by communities. Project teams track the reach and take necessary steps to make it successful.

Principle 9 - ENGAGING AND ENRICHING CUSTOMER / CONSUMER VALUE

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company is dedicated to delivering products that satisfy the needs of the customers. It values customer satisfaction as one of its greatest assets. Therefore, it has put in place effective redressal mechanism for addressing and handling customer complaints. The system is also periodically reviewed by management team. The Company regularly organizes feedback and awareness programs for its customers across various locations. The Company always endeavors to resolve the complaints at the earliest.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

As the Company's products are OEM specific and as per OEM requirements, the Company dislays product requirement on packaging as per the requirements of OEM & consistent with applicable laws.

The typical information displayed on roduct includes details of manufacturer, heat code, process no., dispatch no., part no., etc

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Customer response and customer satisfaction are one of the most important factors of any business. The Company engages with its customers on a continious basis and also at various platforms to understand their expectations. Customer feedback are monitored and reviewed by top management at defined intervals for getting the directives for improvement.

Financial Section

Independent Auditor's Report

To the Members of
Ramkrishna Forgings Limited

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 Limited("the Company"), which comprise the Balance Sheet as at March 31 2021, 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.

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, 2021, 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.

Emphasis of Matter

We draw attention to Note 46 to the standalone financial statements, which describes the uncertainties and the impact of COVID-19 pandemic on the Company's operations and results as assessed by management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
(a) **Revenue recognition** *(as described in **Note 2.3(d)** of the standalone Ind AS financial statements)*	
Revenue is recognised when control of the goods 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. During the year ended March 31, 2021, the Company has recognised revenue amounting to ₹ 77,045.10 lacs and ₹ 51,792.42 lacs from domestic and export sales respectively. Terms of sales arrangements, including the timing of transfer of control, delivery specifications including incoterms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period.	Our audit procedures included the following: ▪ Evaluated Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. ▪ Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. ▪ Evaluated the general information and technology control environment and tested the operating effectiveness of key IT application controls over recognition of revenue. ▪ Tested samples of individual sales transaction and traced to sales invoices, sales orders, (received from customers) and other related documents. Further, in respect of the samples tested,

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
Therefore, there is a significant risk associated with timing of revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers'. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it has been determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.	reviewed recognition of revenue in accordance with the incoterms / when the conditions for revenue recognitions are met. ▪ Selected sample of sales transactions made pre- and post-year end, traced the period of revenue recognition to underlying documents. ▪ Performed procedures to identify any unusual trends of revenue recognition. ▪ Assessed the relevant disclosures made within the standalone Ind AS financial statements.
Impairment assessment of property, plant and equipment*(as described in Note* ***46*** *of the standalone Ind AS financial statements)*	
As at March 31, 2021, the carrying value of property, plant and equipment (PPE) were ₹ 1,22,182.99 lacs. In view of the uncertainty on account of COVID-19 pandemic, impairment indicators were identified, that gave rise to a risk that PPE may be impaired. Consequently, impairment assessment was performed for PPE. The inputs to the impairment testing model which have the most significant impact on the recoverable value include projected Earnings before interest, tax and depreciation and amortization (EBITDA), revenue growth rate, discount rates, terminal growth rate and capital expenditure etc. along with sensitivity testing of these assumptions. The determination of the recoverable amount of the PPE involved management making estimates and judgements that are critical to the outcomes of these inputs and the inherent uncertainty in the assumptions supporting the recoverable amount of these assets, hence impairment of PPE, has been determined to be a key audit matter.	Our audit procedures included the following: • Assessed the design and tested the operating effectiveness of internal controls related to impairment of PPE • Assessed the Company's valuation methodology and assumptions based on current economic and market conditions including effects of COVID-19 pandemic, applied in determining the recoverable amount, including valuation report used by the Company for determining the fair value ('recoverable amount') of the PPE. • Evaluated the assumptions used for cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • Involved our valuation experts and tested the data and assumptions used by the management, arithmetical accuracy and evaluated the adequacy of headroom available for recoverable value through sensitivity analysis. • Discussed potential changes as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • Assessed the disclosures made in the standalone Ind AS financial statements for compliance with the relevant Ind AS requirements.
Recognition and recoverability of MAT credit *(as described in* ***note 11 and note 46*** *of the Standalone Ind AS financial statements)*	
As at March 31, 2021, net deferred tax liability recognised were ₹ 6,587.74 lacs which comprises deferred tax asset of ₹ 8,332.97 lacs and deferred tax liability of ₹ 14,920.71 lacs. The deferred tax assets include MAT credit entitlement of ₹ 7,291.49 lacs. In view of the COVID-19 pandemic, the Company has reassessed its future projections for recoverability of MAT as at March 31, 2021 while assessing the adequacy of taxable income of future years. The recognition and recovery of MAT credit is a key audit matter as the recoverability of such MAT credit within the time frame given by the Income Tax Act, 1961, involves significant estimate of financial projections, availability of sufficient taxable income in future periods and significant judgement in the interpretations of tax laws regulations and tax positions adopted by the Company.	Our audit procedures included the following: • Evaluated the Company's accounting policies with respect to recognition and recoverability of MAT credits in accordance with Ind AS 12 "Income Taxes". • Obtained an understanding of the process and tested the controls over preparation of the taxable profit forecast. • Assessed the key assumptions used in the future projections by comparing it to the approved business plan. • Together with our tax specialists assessed the Company's tax positions by comparing it with prior years and past precedents. • Tested the arithmetical accuracy of the tax computations, future projections of taxable profits including its correlation with the annual business plan approved by the Board of Directors. • Assessed the disclosures in respect of the deferred tax asset balances including those disclosures related to significant accounting judgements and estimates.

We have determined that there are no other key audit matters to communicate in our report.

Independent Auditor's Report (Contd.)

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

The Company's Board of Directors 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 Company's Board of Directors 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 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 skepticism throughout the audit. We also:

- 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.

Independent Auditor's Report (Contd.)

- 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, 2021 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, 2016 ("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.

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) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (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) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (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:

Independent Auditor's Report (Contd.)

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 35A to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. BATLIBOI & CO. LLP**
ICAI Firm registration number: 301003E/E300005
Chartered Accountants
Sd/-
per **Sanjay Kumar Agarwal**
Partner
Membership No.: 060352
UDIN: 21060352AAAABE5369

Place: Kolkata
Date: May 15, 2021

For **M/S. S.K. NAREDI & CO.**
ICAI Firm registration number: 003333C
Chartered Accountants
Sd/-
per **Abhijit Bose**
Partner
Membership No.: 056109
UDIN: 21056109AAAAB08162

Place: Kolkata
Date: May 15, 2021

Annexure - I to the Independent Auditors' Report

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 limited

To the Members of
Ramkrishna Forgings Limited ("the Company")

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given by the management the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies 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.

iii. (a) The Company has granted loan to its wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan is not prejudicial to the Company's interest.

(b) The Company has granted loan to its wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loan granted and the repayment/receipts are regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of the Company's products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. During the year, sales tax, service tax, duty of excise and value added tax were not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. During the year, sales tax, service tax, duty of excise and value added tax were not applicable to the Company.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Jharkhand Value Added Tax Act, 2005	Sales Tax	193.97	F.Y. 2016-17 F.Y. 2017-18	Joint Commissioner Appeal
	Sales Tax	197.11	F.Y. 2013-14 to 2015-16	Joint Commissioner State Tax (Appeal)
	Sales Tax	78.29	F.Y. 2015-16	Deputy Commissioner of Sales Tax

Annexure - I to the Independent Auditors' Report (Contd.)

Name of the statute	Nature of Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Service Tax under Finance Act, 1994	Service Tax	727.65	F.Y. 2012-13 to June 2018	Commissioner of GST and Central Excise
	Service Tax	665.65	F.Y. 2012-13 to 2015-16	Commissioner of Excise

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks or dues to debenture holder during the year. The Company did not have any outstanding loans or borrowing from Government.

ix. In our opinion and according to information and explanations given by the management, term loans were applied for the purpose for which they were raised, though idle/ surplus funds which were not required for immediate utilization were lying in bank accounts. The maximum amount of idle/ surplus funds outstanding during the year and also outstanding at the end of the year was Rs 7,979 lakhs. The Company has not raised any moneys by way of public offer (including debt instrument) during the year.

x. 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 by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. BATLIBOI & CO. LLP**
ICAI Firm registration number: 301003E/E300005
Chartered Accountants
Sd/-
per **Sanjay Kumar Agarwal**
Partner
Membership No.: 060352
UDIN: 21060352AAAABE5369

Place: Kolkata
Date: May 15, 2021

For **M/S. S.K. NAREDI & CO.**
ICAI Firm registration number: 003333C
Chartered Accountants
Sd/-
per **Abhijit Bose**
Partner
Membership No.: 056109
UDIN: 21056109AAAAB08162

Place: Kolkata
Date: May 15, 2021

Annexure - II to the Independent Auditors' Report

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RAMKRISHNA FORGINGS LIMTED

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 Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management 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 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

Annexure - II to the Independent Auditors' Report (Contd.)

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.

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, 2021, 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.

For **S.R. BATLIBOI & CO. LLP**
ICAI Firm registration number: 301003E/E300005
Chartered Accountants
Sd/-
per **Sanjay Kumar Agarwal**
Partner
Membership No.: 060352
UDIN: 21060352AAAABE5369

Place: Kolkata
Date: May 15, 2021

For **M/S. S.K. NAREDI & CO.**
ICAI Firm registration number: 003333C
Chartered Accountants
Sd/-
per **Abhijit Bose**
Partner
Membership No.: 056109
UDIN: 21056109AAAAB08162

Place: Kolkata
Date: May 15, 2021

Standalone Ind AS Balance Sheet

as at March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,22,182.99	1,15,731.81
(b) Capital work-in-progress	4(a)	27,201.80	21,643.72
(c) Intangible assets	5	79.26	81.52
(d) Right-of-use assets	6	1,008.90	840.78
(e) Financial assets			
(i) Trade receivables	8	-	371.36
(ii) Investments	7	1,937.79	1,930.32
(iii) Loans	9	1,387.40	1,350.11
(iv) Other financial assets	10	51.81	71.32
(f) Non-current tax assets (net)	12(a)	249.58	249.58
(g) Other non-current assets	13	1,485.07	2,231.52
		1,55,584.60	**1,44,502.04**
Current assets			
(a) Inventories	14	42,399.65	35,719.24
(b) Financial assets			
(i) Trade receivables	8	55,992.96	30,259.74
(ii) Cash and cash equivalents	15(a)	6,658.60	226.46
(iii) Bank balances other than (ii) above	15(b)	21.73	6.66
(iv) Loans	9	163.39	731.73
(v) Other financial assets	10	2,747.01	3,230.55
(c) Current tax assets (net)	12(b)	14.36	14.36
(d) Other current assets	13	4,340.89	3,072.11
		1,12,338.59	**73,260.85**
TOTAL ASSETS		**2,67,923.19**	**2,17,762.89**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	3,193.27	3,260.77
(b) Other equity	17	85,803.50	84,381.95
TOTAL EQUITY		**88,996.77**	**87,642.72**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	66,360.47	47,903.26
(ii) Lease liabilities	19	378.48	352.61
(b) Deferred tax liabilities (net)	11	6,587.74	5,944.50
(c) Other non-current liabilities	23	1,698.82	1,677.62
		75,025.51	**55,877.99**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	44,902.03	36,424.99
(ii) Lease liabilities	19	21.99	39.75
(iii) Trade payables	20		
a) Total outstanding dues of micro enterprises and small enterprises		728.48	88.30
b) Total outstanding dues of creditors other than Micro Enterprises and Small		42,187.27	20,604.61
(iv) Other financial liabilities	21	14,143.95	15,791.38
(b) Other current liabilities	23	1,228.07	758.89
(c) Provisions	22	519.50	534.26
(d) Current tax liabilities (net)	12(c)	169.62	-
		1,03,900.91	**74,242.18**
TOTAL LIABILITIES		**1,78,926.42**	**1,30,120.17**
TOTAL EQUITY & LIABILITIES		**2,67,923.19**	**2,17,762.89**

Significant Accounting Policies 2

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

As per our report of even date

For and on behalf of the Board of Directors of
Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : June 15, 2021

Standalone Ind AS Statement of Profit and Loss

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	24	1,28,837.52	1,11,182.02
Other income	25	461.46	601.60
Total Income (i)		**1,29,298.98**	**1,11,783.62**
Expenses			
Cost of materials consumed	26	63,795.42	55,610.52
(Increase) / Decrease in inventories of finished goods, work in progress and scrap	27	751.24	(4,937.60)
Employee benefits expense	28	9,037.03	9,424.07
Power & Fuel		9,354.37	9,718.56
Finance costs	29	7,677.53	7,515.17
Depreciation and amortisation expense	6A	11,628.46	12,016.49
Other expenses	30	22,906.95	20,994.91
Total Expenses (ii)		**1,25,151.00**	**1,10,342.12**
Profit before Tax (i-ii)		**4,147.98**	**1,441.50**
Tax expense			
- Pertaining to Profit for the current period		726.90	237.79
- Deferred tax charge *		625.28	241.04
- Tax adjustments for earlier years		0.27	1.23
Total tax expense (iii)		**1,352.45**	**480.06**
Profit for the year (iv) = (i - ii - iii)		**2,795.53**	**961.44**
* Includes credit of Minimum Alternate Tax of ₹ 256.35 lakhs (March 31, 2020 : ₹ 145.13 lakhs)			
Other Comprehensive Income			
Other comprehensive income not to be reclassified to Profit or Loss in subsequent periods:			
i) Re-measurement Income / (losses) on defined benefit plans		51.46	(41.43)
ii) Income tax effect on above		(17.98)	14.48
Other Comprehensive Income for the year (net of tax) (v)		**33.48**	**(26.95)**
Total Comprehensive Income for the year (iv + v)		**2,829.01**	**934.49**
Earnings per equity share -			
(Nominal value ₹10 per share (March 31, 2020: ₹10 per share))			
1) Basic		8.71	2.95
2) Diluted		8.70	2.94

Significant Accounting Policies 2

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

As per our report of the even date

For and on behalf of the Board of Directors of
Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Statement of Audited Standalone Cash Flows

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAXES	4,147.98	1,441.50
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortization	11,628.46	12,016.49
	Balances Written Off (Net)	304.43	161.40
	Allowance for bad debt and doubtful debts	-	106.29
	Loss on sale of Fixed Assets/Discarded Assets	78.24	31.87
	Employees Stock Option Expenses	89.89	5.12
	Interest income	(140.56)	(123.74)
	Foreign exchange gain (Unrealised)	(789.69)	(728.55)
	Amortisation of Government Grants	(394.88)	(1,316.60)
	Finance Costs	7,677.53	7,515.17
	Operating Profit before changes in operating assets and liabilities	**22,601.40**	**19,108.95**
	Changes in operating assets and liabilities:		
	Decrease / (Increase) in trade receivables	(25,016.58)	17,550.38
	Decrease / (Increase) in inventories	(6,680.41)	(2,593.21)
	Decrease / (Increase) in loans	531.05	(770.71)
	Decrease / (Increase) in other financial assets	352.76	(810.42)
	(Increase) in other assets	(1,217.06)	(1,876.29)
	Increase / (Decrease) in provisions	36.70	(65.00)
	Increase / (Decrease) in trade payables	22,449.09	(5,746.64)
	Increase / (Decrease) in other financial liabilities	(735.04)	803.61
	Increase in other liabilities	885.26	185.80
	Cash generated from operations	13,207.17	25,786.47
	Direct Tax paid	(557.48)	(670.16)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**12,649.69**	**25,116.31**
B.	**NET CASH USED IN INVESTING ACTIVITIES:**		
	Purchase of property, plant & equipment and intangible assets (including capital work-in-progress and capital advances)	(23,081.68)	(22,475.57)
	Proceeds from sale of property, plant & equipment	83.11	43.59
	Redemption / (Investment) of bank deposits	5.31	27.58
	Loan given to subsidiary companies	(800.00)	(251.08)
	Loan repayment received from subsidiary companies	1,051.08	-
	Investment in a wholly owned foreign subsidiary	(7.47)	-
	Interest Received	127.59	162.40
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(22,622.06)**	**(22,493.08)**

Statement of Audited Standalone Cash Flows
for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from Issue of Equity Share Capital including Securities Premium under ESOP	-	3.40
	Buy-back of equity shares	(1,295.01)	-
	Tax on Buy-back of equity shares	(269.84)	-
	Dividend paid on equity shares	-	(489.79)
	Tax on equity dividend paid	-	(100.70)
	Advance given to ESOP trust	19.40	(278.01)
	Payment of principal portion of lease liabilities	(21.99)	(20.74)
	Interest Paid	(7,469.76)	(7,289.83)
	Proceeds from Long Term Borrowings	27,202.99	12,063.00
	Repayment of Long Term Borrowings	(10,233.72)	(9,695.92)
	Short Term Borrowings (Net)	8,472.44	3,218.12
	NET CASH OUTFLOW FROM FINANCING ACTIVITIES (C)	**16,404.51**	**(2,590.47)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**6,432.14**	**32.77**
	Opening Cash and cash equivalents at the beginning of the year (Refer note 15a)	226.46	193.69
	Closing Cash and cash equivalents at the end of the year (Refer note 15a)	6,658.60	226.46
	NET INCREASE IN CASH AND CASH EQUIVALENTS	**6,432.14**	**32.77**

Notes:		As at March 31, 2021	As at March 31, 2020
a)	**Cash and Cash Equivalents include:**		
	Cash and Cash Equivalents:		
	i) Cash in hand	1.80	4.80
	ii) Balances with banks		
	- On Current Accounts	2,561.24	221.66
	- Fixed deposits with original maturity of less than 3 months	4,095.56	-
	Cash and Cash Equivalents	**6,658.60**	**226.46**

Significant Accounting Policies Note 2

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

As per our report of the even date

For and on behalf of the Board of Directors of
Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
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Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Standalone Ind AS Statement of Changes in Equity

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

A Equity Share Capital (Refer Note 16)

Particulars	Balance as at March 31, 2020	Buy-Back during the year	Balance as at March 31, 2021
Equity Share of ₹ 10/- each issued, subscribed and fully paid	3,260.77	(67.50)	3,193.27
Equity Share in numbers	3,26,07,699.00	(6,74,993)	3,19,32,706

i) The Company, during earlier year had allotted 61,392 nos equity shares of face value ₹ 10/- each at a premium of ₹ 390/- aggregating to ₹ 245.57 lakhs to Ramkrishna Forgings Limited Employee Welfare Trust under Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015).

Further, the Company had given advances to M/s. Ramkrishna Forgings Limited Employee Welfare Trust ("the trust") which would be recovered from the trust on issue of the aforesaid shares to the employees in terms of the above scheme. The trust had refunded Rs Nil (March 31, 2020: ₹ 3.40 lakhs in respect of 850 numbers of equity shares) issued to the employees. The amount towards balance 45,201 numbers of equity shares receivable from Ramkrishna Forgings Limited Employee Welfare Trust has been adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹176.28 lakhs in the securities premium account (Previous year 46,051 number of equity shares was adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹ 176.28 lakhs in the securities premium account). The Balance amount of advance paid to Ramkrishna Forgings Trust after the above adjustment as at March 31, 2021 is ₹ 281.41 lakhs (March 31, 2020: ₹ 281.41 lakhs) has been disclosed under other financial assets (refer note 10 and 39).

B Other Equity (Refer Note 17)

Particulars	Reserve and Surplus						Total
	Capital Reserve	Securities Premium Reserve	General reserve	Employee Stock Options Outstanding (ESOP)	Capital redemption reserve	Retained earnings	
Balance as at March 31, 2019	**3,546.01**	**38,065.24**	**3,448.15**	**622.85**	**-**	**38,347.25**	**84,029.50**
Profit for the year	-	-	-	-	-	961.44	961.44
Other comprehensive income (net of tax)							
- Re-measurement (losses) on defined benefit plans	-	-	-	-	-	(26.95)	(26.95)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**934.49**	**934.49**
Transfer of Retained earnings to General reserve	-	-	500.00	-	-	(500.00)	-
ESOP cost amortized during the year	-	-	-	5.13	-	-	5.13
Securities premium on issue of equity share under ESOP scheme 2015	-	3.32	-	-	-	-	3.32
Equity Dividend for the year 2019-20 (Refer note 45)	-	-	-	-	-	(489.79)	(489.79)
Tax on equity dividend (Refer note 45)	-	-	-	-	-	(100.70)	(100.70)
Balance as at March 31, 2020	**3,546.01**	**38,068.56**	**3,948.15**	**627.98**	**-**	**38,191.25**	**84,381.95**
Profit for the year	-	-	-	-	-	2,795.53	2,795.53
Other comprehensive income (net of tax)							
- Re-measurement Income on defined benefit plans	-	-	-	-	-	33.48	33.48
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,829.01**	**2,829.01**
Transfer of Retained earnings to General reserve	-	-	500.00	-	-	(500.00)	-
ESOP cost amortized during the year	-	-	-	89.89	-	-	89.89
Amount transferred to Capital redemption reserve upon Buyback of shares	-	-	(67.50)	-	67.50	-	-
Buyback of shares (Refer note 16c)	-	(1,227.51)	-	-	-	-	(1,227.51)
Buyback distribution tax	-	-	(269.84)	-	-	-	(269.84)
	-	**(1,227.51)**	**162.66**	**89.89**	**67.50**	**2,329.01**	**1,421.55**
Balance as at March 31, 2021	**3,546.01**	**36,841.05**	**4,110.81**	**717.87**	**67.50**	**40,520.26**	**85,803.50**

Significant Accounting Policies Note 2

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

As per our report of the even date

For and on behalf of the Board of Directors of Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
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Finance Director
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Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Notes to the Standalone Ind AS Financial Statements
as at and for the year ended March 31, 2021

1. Company Overview

Ramkrishna Forgings Limited (""the Company"") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE). The registered office of the Company is located at 23, Circus Avenue, 9th floor, Kolkata - 700 017, West Bengal, India.

The Company is primarily engaged in manufacturing and sale of forged components of automobiles, railway wagons & coach and engineering parts. The Company presently has manufacturing facilities at Gamaria, Adityapur Industrial Area, Baliguma, Dugni at Saraikela, Jamshedpur in Jharkhand and at Liluah in West Bengal.

These standalone financial statements were approved and authorised for issue with the resolution of the Board of Directors on May 15, 2021.

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 lakhs (INR 1,00,000), 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:

a. Expected to be realised or intended to be sold or consumed in the normal operating cycle,

b. Held primarily for the purpose of trading,

c. Expected to be realised within twelve months after the reporting period, or

d. 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:

a. It is expected to be settled in the normal operating cycle,

b. It is held primarily for the purpose of trading,

c. It is due to be settled within twelve months after the reporting period, or

d. 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) Property, Plant and Equipment

Tangible Assets and Depreciation.

Tangible Assets are stated either at deemed cost as considered on the date of transition to Ind AS or at cost of acquisition / construction together with any incidental expenses related to acquisition and appropriate borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred, if any.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation on property, plant and equipment is provided under the straight-line method over the useful lives of assets as prescribed in Part C of Schedule II to the Companies Act 2013 except for the following assets where the useful life considered is different than that prescribed in Schedule II on the basis of management's technical evaluation. The management believes that the useful lives as given below represents the period over which management expects to use these assets.

Type of asset	Useful lives estimated by the management (years)
Air Conditioning Machines	10
Plant and Machinery (Including Dies)	10 to 40

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Depreciation for assets purchased / sold during the year is proportionately charged. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b) Intangible assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation, impairment loss, if any.

Computer Software for internal use, which is primarily acquired from third party vendors, is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit or loss when the asset is derecognised.

Type of asset	Useful lives estimated by the management (years)
Intangible assets - Computer software	5

c) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last

Notes to the Standalone Ind AS Financial Statements

as at and for the year ended March 31, 2021

impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

d) 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 service tax. 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). In case of DDP export sales where the Company provides warehousing services to its customers in their respective countries, revenue is recognised when the goods are lifted by the customer. In other cases of export sales, the Company believes that the control gets transferred to the customer on the date of bill of lading.

Export incentives

Exports entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Die design and preparation charges

Revenues from die design and preparation charges are recognized on approval of die designs by the Customers

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.

e) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) scheme, it is accounted for as Government grant and its amortised on the basis of fulfilment of underlying export obligations. Also refer note 23.

Government grants such as for export benefit scheme and other grants, for which related costs are recognised as expense, are recognised in the Statement of Profit and Loss on matching principle. The Company considers government grant as part of it's operations and hence considered as other operating revenues.

f) Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence, if any. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

(i) **Raw materials, Stores and Spares:** These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average method.

(ii) **Finished goods and work in progress:** These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of finished goods also includes excise duty. Cost is determined on weighted average method.

(iii) **Scrap:** Scrap is valued at Net Realisable Value.

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

g) 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)

Notes to the Standalone Ind AS Financial Statements
as at and for the year ended March 31, 2021

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 40 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 (Refer Note 40 for further details). 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. Note 41A details 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 (Refer Note 40 for further details).

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.

h) 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

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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.

i) Investment in Subsidiary Companies

Investment in subsidiaries are carried at cost or at deemed cost as considered on the date of transition to Ind- AS less provision for impairment loss, if any. Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The details of such investments are given in Note 7.

j) 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 (other than relating to long-term foreign currency monetary items recognised up to March 31, 2017) arising from settlement of foreign currency transactions and the year end restatement are recognised in profit and loss.

Exchange differences arising on reporting of long-term foreign currency monetary items recognised up to March 31, 2017 (i) relating to acquisition of depreciable capital assets is adjusted to the carrying amount of such assets (to be depreciated over the balance life of the related asset).

k) 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax assets. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

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.

l) 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.

m) 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.

n) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which related service is rendered.

Post-Employment Benefits:

I. Defined Contribution plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

II. Defined Benefit plans:

a. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method as per Ind AS 19 at the year end.

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b. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligations.

c. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.

d. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

e. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

Other employee benefit obligations

The liabilities for earned leave and sick leave are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as per Ind AS 19. The benefits are discounted using the market yields on Government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss. Entitlements to annual leave (earned leave) are recognized when they accrue to employees. They can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave.

o) Employee Stock Options Scheme/ Share based payments

The grant date fair value of equity settled share based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of the vesting period, the entity revises its estimates of the number of options that are expected to vest based on the non market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in the Statement of Profit or Loss, with a corresponding adjustment to equity. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

p) Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

q) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

r) 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.

s) 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.

3.1 Key Accounting Estimates & Judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

Deferred tax assets are recognised for unused tax losses / MAT carry forward to the extent is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including amount expected to be paid / recovered for uncertain tax positions (Refer Note 11).

b. Property, Plant and Equipment and Useful Life of PPE and Intangible Assets

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

c. Defined Benefit Plans

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefits accounting is intended to reflect the recognition of future benefits cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate, rate of compensation increase and future mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations, funding requirements and benefit costs incurred. Refer Note 43.

d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

e. Provisions and Contingencies

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

Notes to the Standalone Ind AS Financial Statements

as at and for the year ended March 31, 2021

3.2 Standard issue but not effected

There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.

3.3 Changes in accounting policies and disclosures

i. Amendments in Ind AS

The Company had no material impact on the standalone financial statements on account of Amendments from April 1 , 2020 in Ind AS 1 Presentation of Financial Statements, Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, Ind AS 10 Events after the Reporting Period, Ind AS 34 Interim Financial Reporting, Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, Ind AS 103 Business Combination, Ind AS 107 Financial Instruments: Disclosures, Ind AS 109 Financial Instruments and Ind AS 116 Leases

Notes to the Standalone Ind AS Financial Statements

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(All amounts in INR Lakhs, unless otherwise stated)

4. Property, plant and equipment

Particulars	Freehold Land (Including cost of Development)	Factory Shed and Building	Office Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment's	Computer	Air Conditioning Machines	Total
Cost										
As at April 1, 2019	**1,724.43**	**9,291.16**	**5,063.92**	**1,17,195.83**	**2,539.33**	**676.92**	**135.32**	**820.88**	**558.31**	**1,38,006.10**
Additions #@	-	324.23	6,766.73	8,297.98	919.37	170.02	592.18	35.36	128.47	**17,234.34**
Disposals/ deductions	-	-	-	71.11	-	104.54	5.96	-	-	**181.61**
As at March 31, 2020	**1,724.43**	**9,615.39**	**11,830.65**	**1,25,422.70**	**3,458.70**	**742.40**	**721.54**	**856.24**	**686.78**	**1,55,058.83**
Additions #@	-	1,124.35	418.25	15,977.64	222.22	282.92	72.34	76.63	28.43	**18,202.78**
Disposals/ deductions	-	-	-	297.95	-	159.38	-	-	-	**457.33**
As at March 31, 2021	**1,724.43**	**10,739.74**	**12,248.90**	**1,41,102.39**	**3,680.92**	**865.94**	**793.88**	**932.87**	**715.21**	**1,72,804.28**
Depreciation :										
As at April 1, 2019	-	907.68	489.10	24,484.93	845.27	183.53	72.65	346.19	190.49	**27,519.84**
Charge for the year	-	327.57	186.70	10,790.64	300.07	88.35	35.17	121.86	62.97	**11,913.33**
Disposals/ deductions	-	-	-	41.83	-	64.32	-	-	-	**106.15**
As at March 31, 2020	**-**	**1,235.25**	**675.80**	**35,233.74**	**1,145.34**	**207.56**	**107.82**	**468.05**	**253.46**	**39,327.02**
Charge for the year	-	352.31	288.05	10,162.46	375.42	97.04	126.50	100.92	72.54	**11,575.24**
Disposals/ deductions	-	-	-	155.04	-	125.93	-	-	-	**280.97**
As at March 31, 2021	**-**	**1,587.56**	**963.85**	**45,241.16**	**1,520.76**	**178.67**	**234.32**	**568.97**	**326.00**	**50,621.29**
Net Block										
As at March 31, 2020	**1,724.43**	**8,380.14**	**11,154.85**	**90,188.96**	**2,313.36**	**534.84**	**613.72**	**388.19**	**433.32**	**1,15,731.81**
As at March 31, 2021	**1,724.43**	**9,152.18**	**11,285.05**	**95,861.23**	**2,160.16**	**687.27**	**559.56**	**363.90**	**389.21**	**1,22,182.99**

An amount of ₹ 151.79 lakhs (March 31, 2020 : ₹ 94.99 lakhs) included in plant and machinery is towards Export Promotion Capital Goods scheme.

@ An amount of ₹ 801.57 lakhs (March 31, 2020 : ₹ 337.50 lakhs) included in plant and machinery is towards expenses incurred on Trial run.

i) For lien / charge against property, plant and equipment, Refer note 18.3

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

4.(a) Capital work-in-progress

Particulars	Capital work-in-progress	Total
Cost		
As at April 1, 2019	12,958.51	12,958.51
Additions	21,471.93	21,471.93
Capitalised to PPE	12,786.72	12,786.72
As at March 31, 2020	**21,643.72**	**21,643.72**
Additions	13,556	13,555.58
Capitalised to PPE	7,998	7,997.50
As at March 31, 2021	**27,201.80**	**27,201.80**
As at March 31, 2020		**21,643.72**
As at March 31, 2021		**27,201.80**

4. i) Details of expenditure on New / Expansion projects pending allocation and included in Capital work in progress

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages & Allowances	665.45	381.48
Power and Fuel	28.39	14.07
Carriage Inward Expenses	26.89	7.66
Insurance Charges	68.70	14.70
Interest / Bank Charges	1,407.95	1,354.00
Rate & Taxes	6.71	19.08
Miscellaneous Expenses	56.46	177.86
Travelling Expenses	7.94	26.10
Inventory consumption	801.57	337.50
Professional Fees / Consultancy	231.89	121.45
Total	**3,301.95**	**2,453.90**
Add: Balance brought forward from previo us year	2,730.07	1,193.64
	6,032.02	**3,647.54**
Less: Transfer / Allocated to Property, Plant and equipment during the year	801.57	917.47
Balance pending allocation included in CWIP	**5,230.45**	**2,730.07**

5. Intangible Assets

Particulars	Computer Software
Cost	
As at April 1, 2019	471.16
Additions	-
As at March 31, 2020	**471.16**
Additions	20.95
As at March 31, 2021	**492.11**
Depreciation	
As at April 1, 2019	**326.23**
Charge for the year	63.41
As at March 31, 2020	**389.64**
Charge for the year	23.21
As at March 31, 2021	**412.85**
Net Block	
As at March 31, 2020	**81.52**
As at March 31, 2021	**79.26**

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

6. Right-of-use assets

	Lease hold Land
Cost	
As at April 1, 2019	**880.53**
Additions	-
As at March 31, 2020	**880.53**
Additions	198.13
As at March 31, 2021	**1,078.66**
Depreciation	
As at April 1, 2019	-
Charge for the year	39.75
As at March 31, 2020	**39.75**
Charge for the year	30.01
As at March 31, 2021	**69.76**
Net Block	
As at March 31, 2020	**840.78**
As at March 31, 2021	**1,008.90**

6. (A) Depreciation and amortization expenses

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Depreciation of Property, plant and equipment	11,575.24	11,913.33
Amortization of Intangible assets	23.21	63.41
Right-of-use assets	30.01	39.75
Total	**11,628.46**	**12,016.49**

7. Investments (Non-current)

	Face Value per share (₹)	Number of shares		Amount	
		March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
i. Investments in subsidiaries					
At cost					
Unquoted equity instruments (fully paid)					
Investment in wholly owned subsidiaries					
- Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.)	₹ 10/-	47,87,650	47,87,650	1909.82	1909.82
- Ramkrishna Aeronautics Pvt. Ltd.	₹ 10/-	1,00,002	1,00,002	10.00	10.00
- Ramkrishna Forgings LLC, USA	($ 1.00)	10,000	-	7.47	-
				1,927.29	**1,919.82**
ii. Investments (other body corporate)					
At fair value through other comprehensive income					
Unquoted equity instruments (fully paid)					
- Adityapur Auto Cluster	₹ 1000/-	1,050	1,050	10.50	10.50
				10.50	**10.50**
Total				**1,937.79**	**1,930.32**
Aggregate value of unquoted investments				**1,937.79**	**1,930.32**

Additional Information:

a) The Company has given corporate guarantees on behalf of M/s. Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.) amounting to ₹ 2,650 lakhs (March 31, 2020: ₹ 4,700 lakhs) (Refer Note 35A).

b) Refer note 40 for information about fair value measurements.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

8. Trade receivables

At amortised cost	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured				
Considered good	-	-	55,992.96	29,902.66
Trade Receivables which have significant increase in credit risk	-	431.62	134.81	431.63
Less: Impairment allowance (Allowance for bad and doubtful debts)	-	(60.26)	(134.81)	(74.55)
	-	**371.36**	**55,992.96**	**30,259.74**

8.1: Trade receivables are non-interest bearing and are generally received within 180 days.

8.2: The carrying amount of trade receivables may be affected by the changes in the credit risk of the counterparties as well as the currency risk as explained in Refer note 41A.

8.3: No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivable are due from firms or companies in which any director is a partner, a director or a member.

8.4: For lien / charge against trade receivables, Refer note 18.3

8.5: Includes receivable from subsidiary March 31, 2021 : ₹ 1,502.63 lakhs (March 31, 2020 : ₹ 170.56 lakhs) (Refer note 39)

9. Loans

At amortised cost	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good				
Security deposits	1,217.79	1,219.17	151.12	611.91
Loan to Employees	169.61	130.94	12.27	119.82
	1,387.40	**1,350.11**	**163.39**	**731.73**

9.1. Includes loans and advances due from officers of the Company March 31, 2021: ₹ 2.50 lakhs (March 31, 2020 : ₹ 10.00 lakhs) also refer note 39.

10. Other Financial Assets (Unsecured, considered good)

At amortised cost	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Accrued Interest	-	-	111.81	96.81
Receivable from subsidiary company (refer note 39)	-	-	-	251.08
Government Grant receivable	-	-	772.17	771.16
Fixed deposits with bank (Maturity of more than twelve months)	-	19.51	-	-
Export incentives receivable	-	-	1,044.42	1,131.78
Others @	51.81	51.81	691.01	954.12
At FVTPL				
Foreign - exchange forward contracts	-	-	127.60	25.60
	51.81	**71.32**	**2,747.01**	**3,230.55**

10.1. Refer note 40 for determination of fair value

10.2 @ includes receivable from the subsidiary of the company ₹ 426.65 lakhs (March 31,2020 : ₹ 305.95 lakhs), being expenses incurred on behalf of Ramkrishna Aeronautics Pvt. Ltd. and reimbursable from them.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

11. Taxes

	Non-Current	
	As at March 31, 2021	As at March 31, 2020
i) Deferred Tax		
Deferred Tax Liabilities		
Property, Plant and Equipment and Intangible assets	14,920.71	13,964.84
Gross Deferred Tax Liabilities	**14,920.71**	**13,964.84**
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	332.59	365.10
MAT entitlement receivable [Refer note (a) below]	7,291.49	7,035.14
On Others *	708.89	620.10
Gross Deferred Tax Assets	**8,332.97**	**8,020.34**
Deferred Tax Liabilities (Net)	**6,587.74**	**5,944.50**

a. In view of profitability projections (considering additional contribution from new plants) the company expects that there would be sufficient taxable income in future periods to utilize MAT credit entitlements.

b. Pursuant to The Taxation Laws (Amendment) Ordinance, 2019, corporate assesses have been given the option undersection 115BAA of the Income Tax Act, 1961 to apply lower income rate with effect from April 1, 2019, subject to certain conditions specified therein. The Company has assessed the impact of the Ordinance and believes that it will continue to remain in the existing tax structure for the foreseeable future based on its forecasted profits. Accordingly, no effect in this regard has been considered in measurement of tax expenses for the purpose of this financial statements. Management, however, will continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expenses when there is reasonable certainty to avail the lower rate of tax.

* Majorly represents deferred tax assets created on Government grant.

	Non-Current	
	Year ended March 31, 2021	Year ended March 31, 2020
Reconciliation of deferred tax liabilities (net):		
Opening balance	5,944.50	5,717.95
Tax income during the period recognised in profit or loss	625.28	241.04
Tax income/(expense) during the period recognised in OCI	17.98	(14.49)
Closing balance	**6,587.76**	**5,944.50**

	Non-current	
	Year ended March 31, 2021	Year ended March 31, 2020
ii) Tax expenses		
a) Income-tax expense recognised in the statement of Profit and Loss		
Current tax		
Current tax on profits for the year	726.90	237.79
Adjustments for current tax for earlier years	0.27	1.23
Total current tax expense (a)	**727.17**	**239.02**
Deferred Tax		
Origination and reversal of temporary differences	625.28	241.04
Total deferred tax expense (b)	625.28	241.04
Tax expense reported in the Statement of Profit and Loss (a) + (b)	**1,352.45**	**480.06**
b) Deferred tax - Remeasurement of post employment defined benefit obligation	(17.98)	14.48
Total deferred tax expense recognised in Other Comprehensive Income	(17.98)	14.48
Tax expense recognised in OCI	**(17.98)**	**14.48**
c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:		
Profit before income tax	**4,147.98**	**1,441.50**
Enacted Income tax rate in India applicable to the Company	34.944%	34.944%
Tax on Profit before tax at the statutory Income tax rate in India	1,449.47	503.72

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(All amounts in INR Lakhs, unless otherwise stated)

	Non-current	
	Year ended March 31, 2021	Year ended March 31, 2020
Adjustments:		
Tax effect of amounts which are not deductible / (not taxable) in calculating taxable income:		
Items not deductible	112.72	103.02
Incentives / additional benefits allowable under Income-tax Act	(214.22)	(133.93)
Income tax charge in respect of earlier years	0.27	1.23
Other items	4.21	6.02
Total Income tax expense	**1,352.45**	**480.06**

12. Tax assets and liabilities

	Non-current	
	As at March 31, 2021	As at March 31, 2020
a) Non-current tax asset		
Non-current tax asset (net of provision for Income tax of ₹ Nil) (March 31, 2020 : ₹ 237.79 lakhs)	249.58	249.58
b) Current tax assets		
Income Tax Refundable	14.36	14.36
c) Current tax liabilities	0.27	1.23
Provision for income tax (net of advance Income tax ₹ 726.90 lakhs) (March 31, 2020 : ₹ Nil)	169.62	-

13. Other assets (Unsecured, considered good)

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
a) Capital advances	1,406.91	1,743.61	-	-
b) Advance other than capital advances				
- Advance to suppliers	-	-	1,707.43	685.45
- Advance to Employees	-	-	10.45	4.78
c) Others				
- Prepaid expenses	26.73	36.51	1,298.20	558.76
- Balance with Government Authorities	51.43	451.40	1,324.81	1,823.12
	1,485.07	**2,231.52**	**4,340.89**	**3,072.11**

14. Inventories (Valued at lower of cost and net realisable value)

	As at March 31, 2021	As at March 31, 2020
Raw Materials #	11,975.53	6,212.78
Work in Progress	13,839.23	16,355.70
Finished Goods #	5,406.80	3,432.05
Stores & spares (including packing materials) #	9,970.71	9,417.44
Forgings Scrap	1,288.37	423.93
Less: Provision for Slow Moving Inventories	(80.99)	(122.66)
Total	**42,399.65**	**35,719.24**

Includes goods-in-transit a) Finished Goods ₹ 1,070.99 lakhs (March 31, 2020: ₹ 799.05 lakhs); b) Raw Materials ₹ 22.78 lakhs (March 2020: ₹ Nil); c) Stores and Spares ₹ 74.73 lakhs (March 31, 2020: ₹ 21.88 lakhs).

For lien / charge against inventories, Refer note 18.3.

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(All amounts in INR Lakhs, unless otherwise stated)

15. a) Cash and Cash Equivalents:

	As at March 31, 2021	As at March 31, 2020
i) Cash in hand	1.80	4.80
ii) Balances with banks		
- On Current Accounts	2,561.24	221.66
- Fixed deposits with original maturity of less than 3 months	4,095.56	-
Cash and Cash Equivalents	**6,658.60**	**226.46**
15. b) Other Bank Balances:		
- Earmarked balances (On unclaimed dividend accounts)	2.22	1.35
- Fixed deposits with original maturity of more than 3 months but less than 12 months	19.51	5.31
Other Bank Balances	21.73	6.66
Cash and Bank balances (a + b)	**6,680.33**	**233.12**

Changes in liabilities arising from financing activities

Particulars	April 1, 2020	Cash Flows	Others*	March 31, 2021
Current borrowings	36,424.99	8,472.44	4.61	44,902.03
Non current borrowings (Including current maturities of long term debts (Refer note 21)	58,688.53	16,969.27	(39.45)	75,618.35
Total liabilities from financing activities	**95,113.52**	**25,441.71**	**(34.84)**	**1,20,520.38**

Particulars	April 1, 2019	Cash Flows	Others*	March 31, 2020
Current borrowings	33,206.86	3,218.13	-	36,424.99
Non current borrowings (Including current maturities of long term debts (Refer note 21)	54,942.35	2,367.08	1,379.10	58,688.53
Total liabilities from financing activities	**88,149.21**	**5,585.21**	**1,379.10**	**95,113.52**

* Represents the impact of foreign exchange reinstatement on foreign currency borrowing and changes in fair value of borrowing measured at amortised cost using the effective interest rate method as at March 31, 2021 and March 31, 2020.

16. Equity share capital

Particulars	Number of shares			
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Authorised capital				
Equity shares of ₹ 10/- each	3,32,50,000	3,32,50,000	3,325.00	3,325.00
			3,325.00	**3,325.00**
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each	3,19,32,706	3,26,07,699	3,193.27	3,260.77
			3,193.27	**3,260.77**

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	Number of shares			
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
At the beginning of the year	3,26,07,699	3,26,06,849	3,260.77	3,260.68
Buyback of shares (Refer note 16c)	(6,74,993)	-	(67.50)	-
Add: Further issue equity shares under ESOP scheme 2015	-	850	-	0.09
At the end of the year	**3,19,32,706**	**3,26,07,699**	**3,193.27**	**3,260.77**

b) Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Notes to the Standalone Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

Proposed dividend is recognised in the year in which it is approved by the shareholders.

c) During the year ended March 31, 2021, the Company has completed buyback of its shares which started on April 3, 2020 and closed on September 25, 2020. The Company had bought back 6,74,993 equity shares (representing 2.07% of the of pre buy back paid up equity share capital of the company) at an average price of ₹ 191.85 per equity share aggregating to ₹ 1,295.01 lakhs (including transaction costs).

d) The Company, during earlier year had allotted 61,392 nos equity shares of face value ₹ 10/- each at a premium of ₹ 390/- aggregating to ₹ 245.57 lakhs to Ramkrishna Forgings Limited Employee Welfare Trust under Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015).

Further, the Company had given advances to M/s. Ramkrishna Forgings Limited Employee Welfare Trust ("the trust") which would be recovered from the trust on issue of the aforesaid shares to the employees in terms of the above scheme. The trust had refunded Rs Nil (March 31, 2020: ₹ 3.40 lakhs in respect of 850 numbers of equity shares) issued to the employees. The amount towards balance 45,201 numbers of equity shares receivable from Ramkrishna Forgings Limited Employee Welfare Trust has been adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹ 176.28 lakhs in the securities premium account (Previous year 46,051 number of equity shares was adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹ 176.28 lakhs in the securities premium account). The Balance amount of advance paid to Ramkrishna Forgings Trust after the above adjustment as at March 31, 2021 is ₹ 281.41 lakhs (March 31, 2020: ₹ 281.41 lakhs) has been disclosed under other financial assets (refer note 10 and 39).

e) The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries / associates. Details of shareholders holding more than 5% shares in the Company is given as below:

Particulars	% holding		No of shares	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Equity shares of ₹ 10/- each fully paid up				
Riddhi Portfolio Private Limited.	23.43%	22.92%	74,92,724	74,82,724
Eastern Credit Capital Private Limited.	17.57%	17.21%	56,18,500	56,18,500
Aditya Birla Sun Life Trustee Private Limited A/c	4.19%	5.57%	13,39,351	18,19,971

f) The Company during the preceding 5 years -

i. has not allotted shares pursuant to contracts without payment received in cash.

ii. has not allotted shares as fully paid up by way of bonus shares

iii. 6,74,993 no. of equity shares (March 31, 2020: Nil) bought back during the year.

g) There are no calls unpaid by Directors / Officers of the Company.

h) The Company has not converted any securities into equity shares /preference shares during the above financial years.

i) The Company has not forfeited any shares during the above financial years.

j) For details of shares reserved for issue under the Share based payment plan of the company, please refer note 32

17. Other equity

	As at March 31, 2021	As at March 31, 2020
Capital reserves (Refer note a)	3,546.01	3,546.01
Securities Premium Account (Refer note b)	36,841.05	38,068.56
General reserve (Refer note c)	4,110.81	3,948.15
Employee's Stock Options Outstanding Account (Refer note d)	717.87	627.98
Capital redemption reserve (Refer note e)	67.50	-
Retained earnings (Refer note f)	40,520.26	38,191.25
Total	**85,803.50**	**84,381.95**

a) Capital Reserve

This reserve had been created on Account of capital subsidy received in the form of sales tax refund under Jharkhand Industrial Policy, 2001 and on account of forfeiture of share warrants money.

	As at March 31, 2021	As at March 31, 2020
Opening balance	3,546.01	3,546.01
Add: Changes during the year	-	-
Closing Balance	**3,546.01**	**3,546.01**

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(All amounts in INR Lakhs, unless otherwise stated)

b) Securities Premium Reserve

Securities Premium Account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of the Companies Act, 2013.

	As at March 31, 2021	As at March 31, 2020
Opening balance	38,068.56	38,065.24
Less: Buyback of shares (Refer Note : 16c)	(1,227.51)	-
Add: Securities premium on issue of equity share under Ramkrihsna Forgings Limited ESOP scheme 2015	-	3.32
Closing Balance	**36,841.05**	**38,068.56**

c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

	As at March 31, 2021	As at March 31, 2020
Opening balance	3,948.15	3,448.15
Add: Amount transferred from Retained earnings	500.00	500.00
Less: Appropriation upon Buyback of equity shares	(67.50)	-
Less: Buyback distribution tax	(269.84)	-
Closing Balance	**4,110.81**	**3,948.15**

d) Employee's Stock Options Outstanding Reserve (ESOP)

Employee's Stock Options Outstanding is a stock option granted to specified employees of the Company. It offers option's holder the right but not an obligation to purchase shares of the Company on fulfilment of conditions mentioned in ESOP scheme at the price decided at the time of grant of options. (Refer note 32).

	As at March 31, 2021	As at March 31, 2020
Opening balance	627.98	622.85
Add: Charge for the year (Refer note 32)	89.89	5.13
Closing Balance	**717.87**	**627.98**

e) Capital redemption reserve (CRR)

Represents the nominal value of Equity shares bought back pursuant to Buyback in accordance with Section 69 of the Companies Act, 2013.

	As at March 31, 2021	As at March 31, 2020
Opening balance	-	-
Appropriation from general reserve upon Buyback of equity shares	67.50	-
Closing Balance	**67.50**	**-**

f) Retained earnings

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.

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	38,191.25	38,347.25
Add: Profit for the year	2,795.53	961.44
Add: Other Comprehensive Income / (Loss) for the year (net of tax)	33.48	(26.95)
	41,020.26	**39,281.74**
Less: Transfer to General Reserve	(500.00)	(500.00)
Less: Dividend	-	**(489.79)**
Less: Dividend distribution tax	-	(100.70)
	40,520.26	**38,191.25**

Notes to the Standalone Ind AS financial statements
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(All amounts in INR Lakhs, unless otherwise stated)

18. Borrowings

	Non-current	
	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Term Loans From banks		
- Domestic currency loans	58,608.69	43,945.85
- Foreign currency loans	11,353.20	14,619.79
- Non-Convertible Debentures (Refer Note 18.2)	5,396.12	-
- Auto car loan	260.34	122.89
Total	**75,618.35**	**58,688.53**
Less: Current maturities of long term debts (Refer Note 21)	9,257.88	10,785.27
Total	**66,360.47**	**47,903.26**

	Current	
	As at March 31, 2021	As at March 31, 2020
Working Capital facilities:		
Repayable on demand :		
From banks		
- Cash Credit	1,654.02	2,856.45
- Working Capital Demand / Short Term Loans / FCNR	28,625.57	17,117.60
- Packing Credit	7,132.12	15,364.86
Unsecured		
Repayable on demand :		
From banks		
- Working Capital Demand / Short Term Loans	5,491.44	390.00
- Bill discounting	1,998.88	696.08
Total	**44,902.03**	**36,424.99**

18.1. The Company's bank loan agreements contain compliance with certain financial ratios which are not met as of March 31, 2021 in view of depressed demand further compounded by outbreak of COVID-19 pandemic. The Company has written to its concerned lenders for condonation of the non compliance with certain ratios. The Company has received few waiver letters from the concerned banks and few are under consideration. The Company is confident of obtaining waiver letter from the such banks and accordingly no adjustment has been made in the financial statements as regards to levying of any penal interest and classification of such loans and they continue to get classified as current / non current as per the original terms of the respective loan agreements.

18.2. During the year ended March 31, 2021, the Company has approved the issuance of up to 1,500 unlisted, unrated, collateralized, redeemable, non-convertible debentures, having a face value of ₹ 10.00 lakhs each, at par, for an aggregate principal amount of up to ₹ 15,000.00 lakhs, on a private placement basis to International Finance Corporation (IFC).

The Company has allotted 550 debentures of face value of ₹10.00 lakhs each, at par, aggregating to ₹ 5,500.00 lakhs to International Finance Corporation (IFC). The Debentures will be redeemed in 9 equal semi-annual instalments starting June 15, 2023 and ending on June 15, 2027. These allotted debentures carry a coupon rate of 10.12 % per annum which is subject to certain reduction on fulfilment of prescribed conditions in debenture trust deed.

18.3 The Company has taken borrowings in domestic and foreign currencies towards funding of its capital expenditure, working capital requirements and general corporate purpose. The borrowings comprise funding arrangements with various banks . The Company's total borrowings and a summary of security provided by the Company are as follows -

	As at March 31, 2021	As at March 31, 2020
Secured long term borrowings	75,618.35	58,688.53
Secured short term borrowings	37,411.71	35,338.91
Unsecured short term borrowings	7,490.32	1,086.08
Total borrowings	**1,20,520.38**	**95,113.52**

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(All amounts in INR Lakhs, unless otherwise stated)

Facility Category	Security Details	Payment Frequency	As at March 31, 2021	As at March 31, 2020
Rupee Term Loans	Primary Security: Term loans (except those which are having exclusive charge) are secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Company excluding those assets for which there is an exclusive charge of other lenders and subject to charges of the Company's bankers created / to be created in their favour for working capital loans. Collateral Security: It is further secured by the second charge on the current assets of the Company, both present and future, excluding receivables discounted by any other bank and exclusively charged to discounting lender.	Repayable in balance 226 quarterly instalments	48,030.67	34,339.86
Suppliers Line of Credit *			5,690.40	4,047.04
Rupee Term Loans		Repayable in balance 60 monthly instalments starting from October, 2021	1,997.96	-
				2,644.84
Foreign Currency Term Loans			-	941.70
Rupee Term Loan	Secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Company excluding those assets for which there is an exclusive charge of other lenders.	Repayable in balance 21 quarterly instalments	914.91	1,041.65
Rupee Term Loan	Term loans (except those which are having exclusive charge) are secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Company excluding those assets for which there is an exclusive charge of other lenders and subject to charges of the Company's lenders created / to be created in their favour for working capital loans. It is also secured by exclusive charge on the office building at 72, Shakespeare Sarani, Kolkata-700017. Collateral Security: It is further secured by the second charge on the current assets of the Company, both present and future and excluding receivables discounted by any other bank and exclusively charged to discounting lender.	Repayable in balance 10 quarterly instalments	3,977.40	4,564.34
Rupee Term Loan	Exclusive charge on the office property acquired out of the rupee term loan facility.	Repayable in balance 30 quarterly instalments starting from May, 2020	3,529.41	4,000.00
Foreign Currency Term Loan	Term Loan is secured by the exclusive first charge on the 125 MN Front Axles, Crankshafts, and Stub Axle (four at a time) Forging Press Line imported from SMS Meer, Gmbh.	Repayable in balance 7 half yearly instalments	5,662.80	6,986.21
Rupee Term Loan	First and Exclusive charge on the assets acquired out of the rupee term loan facility.	Repayable in balance 16 quarterly instalments starting from June, 2022	158.33	-

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(All amounts in INR Lakhs, unless otherwise stated)

Facility Category	Security Details	Payment Frequency	As at March 31, 2021	As at March 31, 2020
Non-Convertible Debentures	Primary Security: Term loans (except those which are having exclusive charge) are secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Company excluding those assets for which there is an exclusive charge of other lenders and subject to charges of the Company's bankers created / to be created in their favour for working capital loans. Collateral Security: It is further secured by the second charge on the current assets of the Company, both present and future, excluding trade receivables discounted by any with-recourse' financing	Repayable in balance 9 half yearly instalments starting June 15, 2023 and ending on June 15, 2027	5,396.12	-
Auto Loans	Secured by the exclusive first charge on the asset financed by the banks.	Repayable in balance 196 monthly instalments	260.34	122.89
Cash Credit	Working capital loans from banks are secured by first pari-passu charge on current assets of the Company, both present and future ,excluding receivables discounted by any other bank and exclusively charged to discounting lender, subject to prior charges in favour of banks created/ to be created in respect of any existing / future financial assistance / accommodation which has been/may be obtained by the Company. Collateral Security : Second pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Company excluding assets which are exclusively charged to other lenders.	On demand	1,654.02	2,856.45
Working Capital Demand Loan / Short term Loan		On demand	20,800.41	15,459.72
Packing Credit Loan in INR.		On demand	7,132.12	15,364.84
FCNR		On demand	997.95	1,657.90
Tata Capital Bill Discouting	Exclusive charge on the discounted bills of Tata Motors	On demand	6,827.21	-
Unsecured Bill Discounting	Unsecured	On demand	1,998.88	696.08
Working Capital Demand / Short Term Loans	Unsecured	On demand	5,491.44	390.00
Total			**1,20,520.38**	**95,113.52**

* Suppliers line of credit is a part of term loan facilities extended by the banks.

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18.4. Terms of repayment of total borrowings outstanding as of March 31, 2021 are provided below:

Borrowings	Range of Effective Interest Rate (%)	<=1 year	1-3 years	3-5 Years	> 5 Years	Total
Domestic Currency Term Loan	8.05 - 10.00	7,744.84	26,456.32	23,253.82	7,415.80	64,870.78
Auto Loan	7.20 - 9.10	54.97	121.24	82.06	2.08	260.34
Foreign Currency Term Loan	1.25	1,657.11	3,314.22	828.55	-	5,799.88
Non-Convertible Debentures	10.12	-	1,222.22	2,444.44	1,833.33	5,500.00
Cash Credit	8.80-10.50	1,654.02	-	-	-	1,654.02
Working Capital Demand Loan/ Short term Loan	6.95- 9.80	20,852.38	-	-	-	20,852.38
PCFC in INR (net of Subvention)	3.34- 4.50	7,132.12	-	-	-	7,132.12
FCNR	8.15	997.95	-	-	-	997.95
Tata Capital Bill Discouting		6,827.21	-	-	-	6,827.21
Unsecured Loan - Bill Discounting	7.5	1,998.88	-	-	-	1,998.88
Unsecured Loan - Short Term Loan	2.80-7.50	5,491.44	-	-	-	5,491.44
		54,410.92	**31,114.00**	**26,608.88**	**9,251.21**	**1,21,385.00**

The above maturity is based on the total principal outstanding gross of the processing fees and charges of ₹ 864.62 lakhs (March 31, 2021: ₹ 615.90 lakhs).

19. Lease

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Lease Liabilities	378.48	352.61	21.99	39.75
	378.48	**352.61**	**21.99**	**39.75**

20. Trade payables

	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Total outstanding dues of micro and small enterprises (Refer note 36)	728.48	88.30
Total outstanding dues of creditors other than micro and small enterprises (Refer Note 20.2)	22,326.28	12,826.75
Acceptance given to Bank	19,860.99	7,777.86
	42,187.27	**20,604.61**
	42,915.75	**20,692.91**

20.1. Trade payables other than acceptance given to the bank are non- interest bearing. Trade payable are normally settled within 90 days credit terms.

20.2. Includes payable to a subsidiary ₹ 156.85 lakhs (March 31, 2020 : ₹ 41.11 lakhs) . Also Refer note 39.

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21. Other financial liabilities

	Current	
	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Employee related dues	1,321.62	1,293.59
Interest accrued but not due on borrowings	651.63	553.17
Payable for capital goods	2,910.60	2,394.06
Current maturities of long-term borrowings (Refer note.18)	9,257.88	10,785.27
Unpaid dividends@	2.22	1.35
At FVTPL		
Foreign - exchange forward contracts	-	750.74
Interest rate swaps	-	13.20
	14,143.95	**15,791.38**

@ Appropriate transfers have been made by the Company to the Investor Education and Protection Fund during the year. ₹ 0.10 lakhs is due and is required to be credited to Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

21.1. Refer note 40 for determination of fair value

22. Provisions

	Current	
	As at March 31, 2021	As at March 31, 2020
Provision for gratuity (Refer note 43)	105.35	183.32
Provision for compensated absences	414.15	350.94
	519.50	**534.26**

23. Other liabilities

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Advance from customers	-	-	609.48	163.42
Statutory dues payable	-	-	495.68	209.27
	-	-	1,105.16	372.69
Government grants				
# Opening balance	1,677.62	1,968.83	386.20	1,045.43
Released to Statement of Profit and Loss	-	-	(393.88)	(1,045.43)
Addition during the year	151.79	94.99	-	-
Reclassified from non-current to current	(130.59)	(386.20)	130.59	386.20
Closing balance	1,698.82	1,677.62	122.91	386.20
	1,698.82	**1,677.62**	**1,228.07**	**758.89**

Includes Government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) scheme on purchase of property, plant and equipment accounted for as Government grant and being amortised on basis of fulfilment of export obligations and includes subsidies provided to the Company as per Jharkhand Industrial and Investment Promotion Policy, 2016.

Notes to the Standalone Ind AS financial statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

24. Revenue from operations

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products	1,16,738.56	98,330.78
Sale of services		
- Job Work	-	4.85
- Die design and preparation charges	704.13	481.94
Other operating revenues		
- Sales of Scrap	8,123.72	6,905.59
- Export incentives	1,572.46	1,941.29
- Foreign exchange difference on operating assets and liabilities	1,303.77	2,200.97
- Subsidies / Government Grants	394.88	1,316.60
	1,28,837.52	**1,11,182.02**
India	77,045.10	67,299.72
Outside India	51,792.42	43,882.30
Total Revenue from operations	**1,28,837.52**	**1,11,182.02**

Revenue is recognized at a point in time and not over time.

25. Other income

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income recognised on Financial assets, recognised at amortised cost	140.56	123.74
Miscellaneous Income * (Refer Note 39)	320.90	477.86
	461.46	**601.60**

* Includes Insurance claim received of ₹ 235.64 lakhs (March 31, 2020: ₹ 71.52 lakhs)

26. Cost of material consumed

	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year (Refer note 14)	6,212.78	7,923.06
Add: Purchases	69,558.17	53,900.24
	75,770.95	61,823.30
Less: Inventory as at end of the year (Refer note 14)	11,975.53	6,212.78
Cost of Raw Materials consumed*	**63,795.42**	**55,610.52**

* Excluding ₹ 1,875.53 lakhs (March 31, 2020 : ₹ Nil) of raw materials consumed during trial run.

27. (Increase)/Decrease in Inventories of Finished Goods and Work in Progress

	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year (Refer note 14)		
Work-in-progress	16,355.70	14,111.28
Forging scrap	423.93	313.88
Finished goods	3,432.05	1,186.41
	20,211.68	**15,611.57**
Inventory at the end of the year (Refer note 14)		
Work-in-progress	13,839.23	16,355.70
Forging scrap	1,288.37	423.93
Finished goods	5,406.80	3,432.05
	20,534.40	**20,211.68**
Inventory Gain / (loss) on trial run during the year	1,073.96*	(337.49)
	751.24	**(4,937.60)**

*Arisen out of ₹ 1,875.53 lakhs (March 31, 2020 : ₹ Nil) raw material consumed during trial run as stated in note 26 above.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

28. Employee benefits expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	7,951.93	8,382.38
Contribution to provident & other funds	500.02	536.28
Gratuity expense (Refer note 43)	209.69	221.87
Employees stock option plan	89.89	5.13
Staff welfare expenses	285.50	278.41
	9,037.03	**9,424.07**

28.1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

29. Finance costs

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses	6,384.41	5,766.99
Interest on Lease Liabilities	30.11	30.78
Other borrowing costs	1,263.01	1,717.40
	7,677.53	**7,515.17**

30. Other expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Carriage inward expenses	287.47	293.57
Consumption of stores and spares (Including packing materials)	6,395.15	5,795.15
Processing charges	4,932.96	4,383.58
Repairs and maintenance		
- Plant & machineries	654.13	490.23
- Factory shed & buildings	77.80	50.53
- Others	350.23	443.87
Rent (Refer note 33)	168.94	26.56
Rates & taxes	30.60	61.41
Insurance	509.77	490.90
Director sitting fees & commission	75.11	59.25
Bank charges & commission	56.22	73.33
Postage, telegraph & telephone	53.16	57.03
Legal & professional fees [a]	420.86	388.23
Travelling & conveyance expenses	195.67	469.84
Advertisement	10.98	21.72
Payment to auditors [b]	79.25	86.71
Brokerage & commission expenses	97.90	101.44
Vehicle running expenses	96.35	108.19
Carriage outward expenses	900.79	790.47
Export expenses	5,647.45	4,192.40
Balances written off (Net)	304.43	161.40
Foreign exchange difference on non-operating assets and liabilities	15.42	480.19
Loss on Sales / Discarded Assets (Net)	78.24	31.87
Allowance for bad and doubtful debts	-	106.29
Miscellaneous expenses [c]	1,468.07	1,830.75
	22,906.95	**20,994.91**

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Legal and professional expenses include payment to a firm of solicitors in which a director is a partner	35.57	-

	For the year ended March 31, 2021	For the year ended March 31, 2020
b. Details of payment to auditors		
As auditor:		
Audit Fees	38.50	37.00
Limited Review	29.50	42.50
For other Services (Certification fees)	9.17	1.35
Reimbursement of Expenses	2.08	5.86
	79.25	**86.71**

c. Includes corporate social responsibility expenses of ₹ 242.69 lakhs (March 31, 2020: ₹ 256.35 lakhs), Refer note 37. and Donation paid to political party of ₹ Nil (March 31, 2020: ₹ 300.00 lakhs).

31. Earnings per equity share (EPS)

		For the year ended March 31, 2021	For the year ended March 31, 2020
Numerator for basic and diluted EPS			
Net profit after tax attributable to shareholders (in ₹ lakhs)	(A)	2,795.53	961.44
Denominator for basic EPS			
- Weighted average number of equity shares for basic EPS	(B)	3,20,81,572	3,26,06,849
Denominator for diluted EPS			
- Weighted average number of equity shares for diluted EPS *	(C)	3,21,15,643	3,26,68,122
* After considering impact of ESOP (Refer note 32)			
Basic earnings per share of face value of ₹ 10/- each (in ₹)	(A/B)	8.71	2.95
Diluted earnings per share of face value of ₹ 10/- each (in ₹)	(A/C)	8.70	2.94

32. Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015)

The Board of Directors at its meeting held on August 7, 2015, approved the Employee Stock Option Scheme 2015 ("ESOP Scheme 2015") for the grant upto 700000 stock option to its permanent employees working in India and wholetime Directors of the Company, in one or more tranches. Each option would be converted into one fully paid-up equity share of ₹ 10/- each of the Company. The same was approved by the members in the 33rd Annual General Meeting of the Company held on September 12, 2015. The ESOP Scheme 2015 shall be administered by the Nomination and Remuneration Committee through the Ramkrishna Forgings Limited Employee Welfare Trust.. The Scheme was further amended in the 34th Annual General Meeting held on September 24, 2016 wherein the exercise price per share was reduced from ₹ 505.58 per share to ₹ 400/- per share.

The above granted options shall vest as under:

Date of Vesting	Eligibility
3rd year	30%
4th year	30%
5th year	40%

The above vesting will be dependent on achievement of certain performance criteria as laid down by the Nomination and Remuneration Committee.

Movement of Options Granted:

The movement of the options under ESOP Scheme 2015 for the year ended March 31, 2021 are as follows:

Particulars	March 31, 2021	March 31, 2020
Outstanding at beginning of the year	1,77,465	2,25,188
Granted during the year	16,765	-
Forfeited / Cancelled during the year	17,654	46,873
Options Vested during the year	64,160	-
Exercised during the year	-	850
Outstanding at the end of the year	1,76,576	1,77,465
Exercisable at the end of the year	1,40,283	-

Notes to the Standalone Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020
Range of exercise prices	400.00	400.00
Weighted Average Exercise Price	400.00	400.00
Weighted Average Remaining contractual years	4.13	2.72

Fair Valuation:

The fair value of the options used to compute net profit and earnings per share have been done by an independent valuer using Black-Scholes-Model. The details of key assumptions used in the valuation are as under:

Particulars	March 31, 2021	March 31, 2020
Exercise Price (₹)	400.00	400.00
Risk-Free Interest Rate	5.65%	7.61%
Life of Options Granted	6.11	6.11
Expected Volatility	45.87%	53.74%
Expected Dividend Yield	0.53%	0.35%
Weighted-Average Fair Value per Option (₹)	593.95	380.79

Volatility: The historical volatility over the expected life has been considered to calculate the fair value.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

33. Leases

Operating Leases Commitments : Company as Lessee

The Company also has certain properties with lease terms of 12 months or less with low value. The Company has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Lease rentals recognised in the Statement of Profit and Loss during the year	21.99	26.56

34. Segment information

The Company is into manufacturing of forging components and the management reviews the performance of the Company as a single operating segment "Forging components" in accordance with Ind AS 108 "Operating Segments" notified pursuant to Companies (Accounting Standards) Rule, 2015. The Company has presented segment information in the consolidated financial statements. Accordingly, in accordance with paragraph 4 of Ind AS 108 no separate segment information has been furnished herewith.

35. Contingent Liabilities and Commitments:

Particulars	As at March 31, 2021	As at March 31, 2020
A. Contingent Liabilities / claims against the Company not acknowledged as debts		
(i) Electricity	45.24	45.24
(ii) Excise/Service tax demands - matters under dispute	1,393.30	1,393.00
(iii) Sales tax demands - matters under dispute	603.16	264.15
(iv) Goods and Service Tax - matters under dispute	-	45.12
(v) Bank Guarantees	5,567.63	5,567.63
(vi) Guarantees given by the Company on behalf of subsidiary #	2,650.00	4,700.00

The Outstanding short term loan in the book of subsidiary M/s. Globe All India Services Limited (Formerly known as Globe Forex & Travel Ltd.) as on March 31, 2021 is ₹ 1,996.87 lakhs (March 31, 2020: ₹ 3,751.84 lakhs).

B. Capital and other commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance).	15,025.83	25,492.43

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

36. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

	March 31, 2021	March 31, 2020
a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year.		
Principal amount remaining unpaid to any supplier at the end of the accounting year.	728.48	88.30
Interest due on above	-	-
Total	**728.48**	**88.30**
b) Amount of interest paid by the buyer in terms of Section 16 of the Act, along with amount of payment made beyond the appointed date during the year.	-	-
c) Amount of interest accrued and remaining unpaid at the end of the financial year.	-	-
d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose disallowance as a deductible expenditure under Section 23 of the Act.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

37. Corporate social responsibility

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Details of CSR Expenditure		
Gross amount required to be spent by the Company during the year	233.63	237.49
Amount spent during the year, approved by the Board.	242.69	256.35
Amount spent (in cash) during the year:		
(i) Construction acquisition of any asset	-	-
(ii) On purposes other then (i) above	242.69	256.35

38. The Company has been granted certificate of registration for its in- house research and development unit of its plant located at village Baliguma, P. O. Kolabera, P.S. Saraikela, Dist Saraikela Kharswan, Jamshedpur, Jharkhand, by the Ministry of Science and Technology, Government of India. The below mentioned expenditure are related to research and development facilities of the Company.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Expenditure on research and development		
(i) Revenue Expenditure		
Raw materials	31.38	17.20
Salary paid to employees	466.88	563.57
Power & Fuel (Electricity charges)	3.82	3.33
Miscellaneous expenses	32.95	32.26
Total	**535.03**	**616.36**
(ii) Capital expenditure	**230.34**	**47.83**
Total research and development expenditure	**765.37**	**664.19**

Notes to the Standalone Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

39. Related Party Disclosures:

Related parties where control exists :

(i)	**Subsidiaries**	(i) Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.) (ii) Ramkrishna Aeronautics Private Limited. (iii) Ramkrishna Forgings, LLC (w.e.f. Dec 3, 2019)
(ii)	**Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence**	(i) Riddhi Portfolio Pvt. Ltd. (ii) Eastern Credit Capital (P) Ltd. (iii) Ramkrishna Rail & Infrastructure Pvt. Ltd. (iv) Northeast Infra Properties Pvt. Ltd. (v) Dove Airlines Private Ltd. (vi) Mahabir Prasad Jalan (HUF) (vii) Naresh Jalan (HUF) (viii) Pawan Kumar Kedia (HUF)
(iii)	**Key Management Personnel (KMP)**	
	Mahabir Prasad Jalan	Chairman cum Whole Time Director.
	Naresh Jalan	Managing Director
	Chaitanya Jalan	Executive Director
	Pawan Kumar Kedia	Finance Director
	Lalit Kumar Khetan (Appointment as Executive Director w.e.f. October 20, 2020)	Executive Director & Chief Financial Officer
	Rajesh Mundhra	Company Secretary
	Ram Tawakya Singh	Independent Director *
	Padam Kumar Khaitan	Independent Director *
	Amitabha Guha	Independent Director *
	Yudhisthir Lal Madan	Independent Director *
	Aditi Bagri	Independent Director *
	Sandipan Chakravortty	Independent Director *
	Partha Sarathi Bhattacharyya	Independent Director *
	Ranaveer Sinha	Independent Director *
(iv)	**Relative of Key Management Personnel**	
	Rashmi Jalan	Wife of Naresh Jalan
	Alok Kedia	Son of Pawan Kumar Kedia
(v)	**Trusts managed by the Company**	Ramkrishna Forgings Ltd. Employee Welfare Trust Ramkrishna Foundation
(vi)	**Firm where a director is a partner**	Khaitan & Co., LLP Khaitan & Co.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Sl. No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended	Outstanding as at	Transaction Amount for the year ended	Outstanding as at
				March 31, 2021		March 31, 2020	
i.	Globe All India Services Limited (Formerly know as Globe Forex & Travels Ltd.)	Subsidiary of the Company	Loan Given	800.00	-	250.00	250.00
			Loan repayment	1,050.00	-	-	-
			Interest Received	22.50	-	1.20	1.20
			Commission Paid / Payable	55.42	-	37.51	-
			Investment in equity share	-	1,909.82	-	1,909.82
			Export / Travelling Expenses	1,283.85		289.40	41.11
			Rent Received / Receivable	31.02	-	4.19	3.05
			Corporate guarantee given **	-	2,650.00	-	4,700.00
ii.	Ramkrishna Aeronautics Pvt. Ltd.	Subsidiary of the Company	Investment in equity share	-	10.00	-	10.00
			Expenses receivable ***	120.70	426.65	305.95	305.95
			Bank guarantee given ****	-	5,000.00	5,000.00	5,000.00
iii.	Ramkrishna Forgings LLC	Subsidiary of the Company	Sales	1,996.22	-	170.56	-
			Investment in equity share	7.47	7.47	-	-
			Trade receivable	-	1,502.63	-	170.56
iv.	Riddhi Portfolio Pvt. Ltd.	Enterprise over which KMP and their relatives are able to exercise significant influence	Rent Paid	1.73	-	6.00	-
			Property (Land) Purchased	240.00	-	-	-
			Deposit given	-	1.50	-	1.50
			Dividend paid	-	-	111.81	-
v.	Dove Airlines Pvt. Ltd.	Enterprise over which KMP and their relatives are able to exercise significant influence	Claims	-	-	360.00	360.00
vi.	Eastern Credit Capital Pvt. Ltd.	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	84.28	-
vii.	Khaitan & Co., LLP	Firm where a director is a partner	Legal fees	10.28	-	-	-
viii.	Khaitan & Co.	Firm where a director is a partner	Legal fees	25.29	-	-	-
ix.	Mahabir Prasad Jalan	Key Management Personnel #	Short-term employee benefits	243.45	0.65	257.84	0.19
			Property (Land) Purchased	166.65	-	-	-
			Dividend paid	-	-	6.77	-
x.	Mahabir Prasad Jalan (HUF)	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	1.80	-

Notes to the Standalone Ind AS financial statements
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(All amounts in INR Lakhs, unless otherwise stated)

Sl. No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended March 31, 2021	Outstanding as at March 31, 2021	Transaction Amount for the year ended March 31, 2020	Outstanding as at March 31, 2020
xi.	Naresh Jalan	Key Management Personnel #	Short-term employee benefits	141.41	0.27	142.69	0.22
			Post-employment benefits	-	-	11.70	-
			Other long-term benefits	13.25	-	14.04	-
			Lease Rent paid / payable	24.00	-	24.00	-
			Rent paid / payable	1.73	-	6.00	-
			Property (Land) Purchased	89.35	-	-	-
			Dividend paid	-	-	4.29	-
xii.	Naresh Jalan (HUF)	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	4.03	-
xiii.	Pawan Kumar Kedia	Key Management Personnel #	Short-term employee benefits	32.77	1.09	35.54	2.60
			Post-employment benefits	1.82	0.17	2.03	0.17
			Other long-term benefits	2.18	0.20	2.43	0.20
			Dividend paid	-	-	0.24	-
xiv.	Pawan Kumar Kedia (HUF)	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	0.08	-
xv.	Rajesh Mundhra	Key Management Personnel	Short-term employee benefits	32.44	1.23	34.45	2.59
			Post-employment benefits	1.35	-	1.50	0.13
			Other long-term benefits	1.56	0.15	1.81	0.15
			Dividend paid	-	-	0.26	-
			Loan repayment	7.50	-	-	-
			Loan given	-	2.50	10.00	10.00
xvi.	Lalit Kumar Khetan	Key Management Personnel	Short-term employee benefits	68.11	3.30	74.64	5.80
			Other long-term benefits	3.33	0.32	3.84	0.32
xvii.	Ram Tawakya Singh	Key Management Personnel	Sitting Fees	9.74	-	8.35	-
xviii.	Padam Kumar Khaitan	Key Management Personnel	Sitting Fees	9.29	-	5.95	-
xix.	Amitabha Guha	Key Management Personnel	Sitting Fees	11.14	-	8.75	-
xx.	Yudhisthir Lal Madan	Key Management Personnel	Sitting Fees	11.32	-	10.05	-
xxi.	Ramkrishna Foundation	Trusts managed by the Company	CSR expenses	242.69	-	256.35	-
xxii.	Aditi Bagri	Key Management Personnel	Sitting Fees	9.62	-	7.80	-
xxiii.	Sandipan Chakravortty	Key Management Personnel	Sitting Fees	8.55	-	7.05	-
xxiv.	Partha Sarathi Bhattacharyya	Key Management Personnel	Sitting Fees	7.85	-	5.30	-

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(All amounts in INR Lakhs, unless otherwise stated)

Sl. No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended March 31, 2021	Outstanding as at March 31, 2021	Transaction Amount for the year ended March 31, 2020	Outstanding as at March 31, 2020
xxv.	Ranaveer Sinha	Key Management Personnel	Sitting Fees	7.60	-	6.00	-
xxvi.	Rashmi Jalan	Relative of Key Management Personnel	Dividend paid	-	-	6.28	-
xxvii.	Chaitanya Jalan	Key Management Personnel #	Short-term employee benefits	21.20	0.83	21.35	0.02
			Other long-term benefits	1.10	0.10	1.15	-
			Dividend paid	-	-	0.13	-
xxvii.	Alok Kedia	Relative of Key Management Personnel	Salary paid	10.32	0.70	10.71	0.85
			Post-employment benefits	0.46	0.04	0.48	0.04
			Other long-term benefits	0.53	0.05	0.58	0.05
			Dividend paid $	-	-	0.00	-
xxviii.	Ramkrishna Forgings Employee Welfare Trust	Trusts managed by the Company	Advance given 1	-	281.41	278.01	281.41

	Nature of transactions	Transaction Amount for the year ended March 31, 2021	Transaction Amount for the year ended March 31, 2020
Total of remuneration to key management personnel	Sitting Fees	75.11	59.25
	Short-term employee benefits	539.37	491.87
	Post-employment benefits	3.63	15.71
	Other long-term benefits	21.95	23.85

Note

Excludes leave encashment and gratuity which is based on actuarial valuation provided on overall Company basis.

* The Independent Directors have been considered as Key Management Personnel only for above reporting as per the requirements of Ind AS 24 - Related Party Disclosures.

** The Corporate Guarantee given pertains to outstanding short term loan in the book of subsidiary M/s. Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.) as on March 31, 2021 is ₹ 1996.87 lakhs (March 31, 2020: ₹ 3,751.84 lakhs).

$ Dividend paid to Mr. Alok Kedia ₹ Nil (March 31, 2020: ₹ 30/-)

*** Expenses receivable includes amount of ₹ 25.29 lakhs paid as legal fees to Khaitan and Co LLP., on behalf of the subsidiary.

1 Refer Note A(i) in Statement of Changes in Equity Share Capital

**** The bank guarantee given by the company to a third party on behalf of the subsidiary.

Notes to the Standalone Ind AS financial statements

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40. Financial instruments

Particulars	March 31, 2021 Carrying Amount / Fair Value	March 31, 2020 Carrying Amount / Fair Value
A) Financial Assets and liabilities:		
The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:		
Financial Assets		
Financial assets carried at amortised cost		
Trade receivables (Refer note. 8)	55,992.96	30,631.10
Loans - Non-current (Refer note. 9)	1,387.40	1,350.11
Other Non-current financial assets (Refer note. 10)	51.81	71.32
Cash and Bank balances (Refer note. 15a and 15b)	6,680.33	233.12
Loans - Current (Refer note. 9)	163.39	731.73
Other Current financial assets (Refer note. 10)	2,619.41	3,204.95
Total financial assets carried at amortised cost	**66,895.30**	**36,222.33**
Financial assets at deemed cost		
Investment (Refer note. 7) *	1,927.29	1,919.82
Financial assets at FVTPL		
Derivative instrument (Refer note. 10)	127.60	25.60
Total financial assets carried at FVTPL	**127.60**	**25.60**
Financial assets at fair value through Other Comprehensive Income (OCI)		
Investments (Refer note. 7)	10.50	10.50
Total financial assets carried at fair value through Other Comprehensive Income (OCI)	**10.50**	**10.50**
Financial Liabilities		
Financial liabilities carried at amortised cost		
Short term borrowings (Refer note. 18)	44,902.03	36,424.99
Long term borrowings (Refer note. 18)	66,360.47	47,903.26
Lease liabilities (Refer note. 19)	400.47	392.36
Trade payables (Refer note. 20)	42,915.75	20,692.91
Other Current financial liabilities (Refer note. 21)	14,143.95	15,027.44
Total financial liabilities carried at amortised cost	**1,68,722.67**	**1,20,440.96**
Financial Liabilities at FVTPL		
Derivative instruments (Refer note. 21)	-	763.94
Total financial liabilities carried at FVTPL	**-**	**763.94**

* Investment at cost.

The management assessed that the fair value of cash and cash equivalents, trade receivables, derivative instruments, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

B. Fair value hierarchy:

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

The below table summarises the categories of financial assets and liabilities as at March 31, 2021 and March 31, 2020 measured at fair value:

Financial Asset	Level 1	Level 2	Level 3
At fair value through other comprehensive income as at March 31, 2021			
- Investments	-	-	10.50
At FVTPL as at March 31, 2021			
- Derivative financial instruments	-	127.60	-
At fair value through other comprehensive income as at March 31, 2020			
- Investments	-	-	10.50
At FVTPL as at March 31, 2020			
- Derivative financial instruments	-	25.60	-
Financial Liabilities			
At FVTPL as at March 31, 2021			
- Derivative financial instrument	-	-	-
At FVTPL as at March 31, 2020			
- Derivative financial instrument	-	763.94	-

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 fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. These derivatives are estimated by using the pricing models, where the inputs to those models are based on readily observable market parameters, contractual terms, period to maturity, maturity parameters and foreign exchange rates. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from market rates. The said valuation has been carried out by the counter party with whom the contract has been entered with and management has evaluated the credit and non-performance risks associated with the counterparties and believes them to be insignificant and not requiring any credit adjustments

ii) The Company has determined the carrying value of the non-current investment as its fair value in the absence of any available observable inputs

iii) There has been no transfer between Level 1, Level 2 and Level 3 during the above periods.

41A Financial Risk Management Objectives and Policies:

The Company's principal financial liabilities comprises borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Company. The Company's principal financial assets include trade and other receivables, loans and cash and cash equivalents that derive directly from its operations.

The Company's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Company seeks to minimize potential adverse effects of these risks on its financial performance and capital. Financial risk activities are identified, measured and managed in accordance with the Company's policies and risk objectives which are summarized below and are reviewed by the senior management.

(A) Credit risk

Credit risk refers to risk of financial loss to the Company if customers or counterparties fail to meet their contractual obligations. The Company is exposed to credit risk from its operating activities (mainly trade receivables).

(i) Credit risk management

(a) Trade Receivables

Customer credit risk is managed by the respective departments subject to the company's established policies, procedures and controls relating to customer credit risk management. Customer credit risk is managed by the Company through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit rating, regulatory changes, industry outlook etc. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in refer note 8. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or reversal thereof.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 41 A : Financial Risk Management Objectives and Policies: (Contd.)

(b) Deposits and financial assets (Other than trade receivables):

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy.

(B) Liquidity Risk

Liquidity risk implies that the Company may not be able to meet its obligations associated with its financial liabilities. The Company manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner and in the currency required at optimal costs. The Management regularly monitors rolling forecasts of the Company's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements.

Additionally, the Company has committed fund and non-fund based credit lines from banks which may be drawn anytime based on Company's fund requirements. The Company endeavours to maintain a cautious liquidity strategy with positive cash balance and undrawn bank lines throughout the year.

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Contractual maturity of financial liabilities	Upto 1 year	1 Year to 3 year	3 year to 5 year	More than 5 years	**Total**
March 31, 2021					
Long Term Borrowings (including current maturities of long term borrowings) **	15,324.49	40,210.91	30,949.15	10,387.61	96,872.17
Lease liabilities	31.41	98.04	170.98	100.04	400.47
Current Borrowings **	44,954.00	-	-	-	44,954.00
Trade payable	42,915.75	-	-	-	42,915.75
Other financial liabilities (excluding current maturities of long term borrowings, Forward contract)	4,886.07	-	-	-	4,886.07
	1,08,111.72	**40,308.95**	**31,120.13**	**10,487.65**	**1,90,028.45**
March 31, 2020					
Long Term Borrowings (including current maturities of long term borrowings) **	15,495.32	26,377.83	21,683.95	12,289.14	75,846.24
Lease liabilities	39.75	92.30	64.85	195.45	392.35
Current Borrowings **	36,424.99	-	-	-	36,424.99
Trade payable	20,692.91	-	-	-	20,692.91
Other financial liabilities (excluding current maturities of long term borrowings)	4,242.17	-	-	-	4,242.17
	76,895.13	**26,470.13**	**21,748.80**	**12,484.59**	**1,37,598.65**

** The above maturity is based on the total principal outstanding gross of the processing fees and charges of ₹ 864.62 lakhs (March 31, 2021: ₹ 615.90 lakhs).

(C) Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely foreign currency risk, interest rate risk and price risk (for commodities) . The above risks may affect the Company's income and expense and profit. The Company's exposure to and management of these risks are explained below.

(i) Foreign currency risk

The Company operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies. Majority of the Company's foreign currency transactions are in USD while the rest are in EURO, JPY and GBP. The major imports are only in respect of capital goods. The risk is measured through forecast of highly probable foreign currency cash flows.

The risk of fluctuations in foreign currency exchange rates on its financial liabilities including trade and other payables etc, which are mainly in US Dollars , are mitigated through the natural hedge, as Company's export sales are predominantly in US dollars and such economic exposure through trade and other receivables in US dollars provide natural alignment. Hence, a reasonable variation in the Foreign exchange rate would not have much impact on the profit/ equity of the Company.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 41 A : Financial Risk Management Objectives and Policies: (Contd.)

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed INR in lakhs, are as follows:

	March 31, 2021				March 31, 2020			
	INR equivalent of				INR equivalent of			
	USD	EUR	JPY	GBP	USD	EUR	JPY	GBP
Financial assets								
Trade receivables	26,779.77	4,445.17		615.12	20,190.39	2,033.52	-	139.40
Other Assets	-	-	-	-	80.89	276.99	247.83	-
Foreign exchange forward contracts								
Sale foreign currency	(13,108.62)	(5,530.88)	-	-	(21,226.16)	(1,865.14)	-	-
Net exposure to foreign currency risk (assets)	**13,671.15**	**(1,085.71)**	**-**	**615.12**	**(954.88)**	**445.37**	**247.83**	**139.40**
Financial liabilities								
Foreign currency loan	4,840.61	8,693.78	445.28	-	7,734.69	10,926.70	113.82	470.04
Trade payables and Capital Goods	150.61	318.16	-	-	446.75	20.28	-	-
Net exposure to foreign currency risk (liabilities)	**4,991.21**	**9,011.94**	**445.28**	**-**	**8,181.44**	**10,946.98**	**113.82**	**470.04**
Net exposure to foreign currency risk (Assets- Liabilities)	**8,679.94**	**(10,097.65)**	**(445.28)**	**615.12**	**(9,136.32)**	**(10,501.61)**	**134.01**	**(330.64)**

(b) Foreign currency Rate Sensitivity

A fluctuation in the exchange rates of 1% with other conditions remaining unchanged would have the following effect on Company's profit or loss before taxes as at March 31, 2021 and March 31, 2020:

	Impact on profit before tax [Increase / (Decrease)]	
	FY 2020-21	FY 2019-20
USD sensitivity		
INR/USD- Increase by 1%*	86.80	(91.36)
INR/USD- Decrease by 1%*	(86.80)	91.36
EUR sensitivity		
INR/EUR- Increase by 1%	(100.98)	(105.02)
INR/EUR- Decrease by 1%	100.98	105.02
JPY sensitivity		
INR/JPY- Increase by 1%	(4.45)	1.34
INR/JPY- Decrease by 1%	4.45	(1.34)
GBP sensitivity		
INR/GBP- Increase by 1%	6.15	(3.31)
INR/GBP- Decrease by 1%	(6.15)	3.31

* Holding all other variable constant

(ii) Interest rate risk

The Company is exposed to interest rate risk on short-term and long-term floating rate instruments. The borrowings of the Company are principally denominated in Indian Rupees, Euro,Japnese Yen and US dollars with a mix of fixed and floating rates of interest. The Company has a policy of selectively using interest rate swaps and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a regular basis. The majority of the borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

(a) Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	**March 31, 2021**	March 31, 2020
Variable rate financial liabilities	1,08,394.75	91,404.10

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 41 A : Financial Risk Management Objectives and Policies: (Contd.)

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax [Increase / (Decrease)]	
	FY 2020-21	FY 2019-20
Interest Rates - Increase by 50 basis points (50 bps) *	(541.97)	(457.02)
Interest Rates - Decrease by 50 basis points (50 bps) *	541.97	457.02

* Holding all other variable constant

(iii) Commodity Price Risk

Commodity price risk results from changes in market prices for raw materials, mainly steel in the form of rounds and billets which forms the largest portion of Company's cost of sales.

The principal raw materials for the Company products are alloy and carbon steel which are purchased by the Company from the approved list of suppliers. Most of the input materials are procured from domestic vendors. Raw material procurement is subject to price negotiation. Further, a significant portion of the Company's volume is sold based on price adjustment mechanism which allows for recovery of the changed raw material cost from its customers.

42. Capital management

For the purposes of the Company's capital management, capital includes issued capital, free reserves and borrowed capital less reported cash and cash equivalents. The primary objective of the Company's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value. The Company's policy is to borrow primarily through banks to maintain sufficient liquidity. The Company also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations are utilised for operations of the Company. The Company monitors capital on the basis of cost of capital.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Borrowings (including interest accrued thereon)	1,21,172.01	95,666.69
Less: Cash and cash equivalents (Refer note 15a)	(6,658.60)	(226.46)
Net debt (A)	**1,14,513.41**	**95,440.23**
Equity Share Capital	3,193.27	3,260.77
Other equity (excluding ESOP and Capital Reserve)	81,539.62	80,207.96
Total equity (B)	**84,732.89**	**83,468.73**
Total capital (A+B))	**1,99,246.30**	**1,78,908.96**
Debt- Equity ratio (A / B)	**1.35**	**1.14**

No changes were made in the objectives policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

43. Employee Benefits

a) Gratuity plan

Funded scheme

The Company has a defined benefit gratuity plan for its employees ("Gratuity Scheme"). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 43 : Employee Benefits: (Contd.)

As per Ind AS 19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Standard are given below:

Statement of Profit and Loss :

Net employee benefits expense (recognised in Employee Cost)

i. Expenses Recognised in the Statement of Profit & Loss

	Gratuity (Funded)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	141.62	123.17
Benefit paid directly by the Company	-	79.59
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	15.19	19.11
Components of defined benefit cost recognised in Statement of Profit & Loss	**156.80**	**221.87**
Actuarial (gains) / losses arising from:		
Change in demographic assumptions	-	(1.11)
Change in financial assumptions	31.88	132.96
Experience variance (i.e. Actual experience vs assumptions)	(90.22)	(82.40)
Return on plan assets, excluding amount recognised in net interest expense	10.94	(8.02)
Components of defined benefit costs recognised in other comprehensive income	**(47.40)**	**41.43**
Total Expense	**109.40**	**263.30**

ii. Bifurcation of Net Liability

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Present value of Defined Benefits Obligation	1,480.85	1,308.03
Fair value of plant assets	1,375.50	1,124.71
Net liability	105.35	183.32
Current liability	105.35	183.32
Non-Current liability	-	-
Net liability	**105.35**	**183.32**

iii. Changes in the present value of obligation:

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Present value of obligation as at the beginning	1,308.03	1,058.24
Current service cost	141.62	123.15
Interest expense or cost	89.54	81.66
Re-measurement (gain) / loss arising from:		
Change in demographic assumptions	-	(1.11)
Change in financial assumptions	31.88	132.96
Experience variance (i.e. Actual experience vs assumptions)	(90.22)	(82.40)
Benefits paid	-	(4.47)
Present value of obligation as at the end of the year	**1,480.85**	**1,308.03**

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 43 : Employee Benefits: (Contd.)

iv. Changes in the Fair Value of Plan Assets during the year:

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Fair Value of Plan Assets as at the beginning	1,124.71	810.52
Investment Income	74.34	62.54
Employer's Contribution	187.40	243.65
Return on plan assets , excluding amount recognised in net interest expense	(10.94)	8.02
Fair Value of Plan Assets as at the end of the year	**1,375.50**	**1,124.71**

v. Major Categories of Plan Assets as a percentage of total plan assets

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Funds managed by Insurer	100%	100%

vi. Actuarial Assumptions

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.80%	6.85%
Salary growth rate (per annum)	6% for the first two years, 5% for the next three years and 4% thereafter	6% for the first two years, 5% for the next three years and 4% thereafter
Mortality Rate (as % of IALM 2006-08)	100%	100%
Normal retainment date	60 years	60 years
Withdrawal rate (per annum)	2%	2%

vii. Sensitivity Analysis

	Impact of Gratuity (Funded) (Present value of obligation)			
	As at March 31, 2020		As at March 31, 2020	
Assumption	**1% increase**	**1% decrease**	1% increase	1% decrease
Discount Rate	1,329.93	1,650.14	1,176.31	1,463.89
Salary Growth Rate	1,652.41	1,325.72	1,466.03	1,172.47
Attrition Rate	1,515.22	1,432.97	1,343.94	1,267.03
Mortality Rate	1,478.24	1,475.34	1,309.37	1,306.70

viii. During the year 2020-21, the Company expects to contribute ₹ 259.03 lakhs (March 31, 2020: ₹ 363.34 lakhs) to gratuity scheme.

ix. Maturity Profile of Defined Benefit Obligation:

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
1 year	107.26	106.40
2 to 5 years	382.28	286.84
6 to 10 years	594.15	582.04
More than 10 years	2542.34	2310.10

b) Provident Fund:

Contribution towards provident fund are recomputed as expenses in the statement of profit and loss. The Company has a defined contribution plan. Under the defined contribution plan, provident fund is contributed to the Government administered provident fund. The Company has no further contractual nor any constructive obligation, other than the contribution payable to the provident fund. The expense recognised during the period towards defined contribution plan is ₹ 462.06 Lakhs (March 31, 2020: ₹ 485.34 Lakhs).

Notes to the Standalone Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

44. Details of the Loan given, Investment made and Guarantee given covered under section 186(4) of the Companies Act, 2013

Details of loan given and Investment made are provided under the respective heads.

Name of the Company	Purpose	Nature	As at March 31, 2021	As at March 31, 2020
Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.)	Business purpose	Corporate Guarantee	2,650.00	4,700.00
Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.)	Business purpose	Loan	-	250.00
Ramkrishna Aeronautics Pvt. Ltd.	Business purpose	Bank Guarantee	5,000.00	5,000.00

45. Distribution made and proposed to be made

	For the year ended March 31, 2021	For the year ended March 31, 2020
Dividend on equity shares declared and paid		
For the year ended on March 31, 2020 : ₹ Nil per share (March 31, 2019 : ₹ 1.50 per share)	-	489.79
Dividend distribution tax (DDT) on final dividend	-	100.70
Proposed dividend on equity shares :		
For the year ended on March 31, 2021: ₹ Nil (March 31, 2020 : ₹ Nil per share)	-	-
Dividend distribution tax (DDT) on proposed dividend is ₹ Nil	-	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and hence are not recognised as a liability (including DDT thereon).

The Board of Directors at its meeting held on May 15, 2021 has not recommended any dividend for the financial year 2020-2021.

46. The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were also impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the audited standalone financial statement, including its assessment of recoverability of the carrying value of property, plant and equipment, intangible assets and deferred tax assets (including MAT credit) based on internal and external information upto the date of approval of these audited standalone financial statement and current indicators of future economic conditions. Further, management has assessed its liquidity position as on March 31, 2021 and does not anticipate any challenge in the Company's ability to continue as a going concern. The impact of the pandemic may be different from that as estimated as at the date of approval of these financial statements and the management continues to closely monitor any material changes to future economic conditions.

As per our report of the even date

For and on behalf of the Board of Directors of Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Independent Auditor's Report

To the Members of
Ramkrishna Forgings Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Ramkrishna Forgings Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit including other comprehensive Income,their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 there under, 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 consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 44 to the Consolidated Ind AS financial statement, which describes the uncertainties and the impact of COVID-19 pandemic on the group's operations and results as assessed by management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Revenue recognition *(as described in Note 2.3(d)of the Consolidated Ind AS financial statements)*	
Revenue is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Holding Company expects to be entitled in exchange for those goods. During the year ended March 31, 2021, the Holding Company has recognised revenue amounting to ₹ 77,100.79 lacs and ₹ 51,792.42 lacs from domestic and export sales	Our audit procedures included the following: ▪ Evaluated Holding Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. ▪ Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition.

Key audit matters	How our audit addressed the key audit matter
respectively. Terms of sales arrangements, including the timing of transfer of control, delivery specifications including incoterms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period. Therefore, there is a significant risk associated with timing of revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers'. Accordingly, it has been determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.	▪ Evaluated the general information and technology control environment and tested the operating effectiveness of key IT application controls over recognition of revenue. ▪ Tested samples of individual sales transaction and traced to sales invoices, sales orders, (received from customers) and other related documents. Further, in respect of the samples tested, reviewed recognition of revenue in accordance with the incoterms / when the conditions for revenue recognitions are met. ▪ Selected sample of sales transactions made pre- and post-year end, traced the period of revenue recognition to underlying documents. ▪ Performed procedures to identify any unusual trends of revenue recognition. ▪ Assessed the relevant disclosures made within the consolidated Ind AS financial statements.
Impairment assessment of property, plant and equipment *(as described in Note 44 of the Consolidated Ind AS financial statements)*	
At March 31, 2021, the carrying value of property, plant and equipment (PPE)of Holding Company were ₹ 1,22,417.94 lacs. In view of the uncertainty on account of COVID-19 pandemic, impairment indicators were identified, that gave rise to a risk that PPE may be impaired. Consequently, impairment assessment was performed for PPE. The inputs to the impairment testing model which have the most significant impact on the recoverable value include projected Earnings before interest, tax and depreciation and amortization. (EBITDA), revenue growth rate, discount rates and capital expenditure etc. along with sensitivity testing of these assumptions. The determination of the recoverable amount of the PPE involved management making estimates and judgements that are critical to the outcomes of these inputs and the inherent uncertainty in the assumptions supporting the recoverable amount of these assets, hence impairment of PPE, has been determined to be a key audit matter.	Our audit procedures included the following: • Assessed the design and tested the operating effectiveness of internal controls related to impairment of PPE • Assessed the Holding Company's valuation methodology and assumptions based on current economic and market conditions including effects of COVID-19 pandemic, applied in determining the recoverable amount, including valuation report used by the Holding Company for determining the fair value ('recoverable amount') of the PPE. • Evaluated the assumptions used for cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • Involved our valuation experts and tested the data and assumptions used by the management and evaluated the adequacy of headroom available for recoverable value through sensitivity analysis. • Discussed potential changes as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • Assessed the disclosures made in the consolidated Ind AS financial statements for compliance with the relevant Ind AS requirements
Recognition and recoverability of MAT credit *(as described in note 11(a) and note 44 of the Consolidated Ind AS financial statements)*	
As at March 31, 2021, net deferred tax liability recognised were ₹ 6,539.32 lacs which comprises deferred tax asset of ₹ 8,381.39 lacs and deferred tax liability of ₹ 14,920.71 lacs. The deferred tax assets include MAT credit entitlement of ₹ 7,291.49 lacs. In view of the COVID-19 pandemic, the Holding Company has reassessed its future projections for recoverability of MAT as at March 31, 2021 while assessing the adequacy of taxable income of future years. The recognition and recovery of MAT credit is a key audit matter as the recoverability of such MAT credit within the time frame given by the Income Tax Act, 1961, involves significant estimate of financial projections, availability of sufficient taxable income in future periods and significant judgement in the interpretations of tax laws regulations and tax positions adopted by the Holding Company.	Our audit procedures included the following: • Considered the Holding Company's accounting policies with respect to recognition and recoverability of MAT credits in accordance with Ind AS 12 "Income Taxes" • Obtained an understanding of the process and testing the controls over preparation of the taxable profit forecast • Assessed the key assumptions used in the future projections by comparing it to the approved business plan • Together with our tax specialists assessed the tax position of the Holding Company by comparing it with prior years and past precedents • Tested the arithmetical accuracy of the tax computations, future projections of taxable profits including its correlation with the annual business plan approved by the Board of Directors • Assessed the disclosures in respect of the deferred tax asset balances including those disclosures related to significant accounting judgements and estimates.

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

The Holding Company's Board of Directors 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 consolidated Ind AS financial statements and our auditor's report thereon.

Independent Auditor's Report

Our opinion on the consolidated 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 consolidated 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 consolidated 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 Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements.

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 consolidated 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 Holding 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 ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidated Ind AS financial statements for the financial year ended March 31, 2021 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.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of two (2) subsidiaries whose Ind AS financial statements include total assets of ₹ 5,126.35 lacs as at March 31, 2021, and total revenues of ₹ 2,134.57 lacs and net cash inflows of ₹ 5.79 lacs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor’s reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of one (1) subsidiary, whose financial statements and other financial information reflect total assets of ₹ 1,533.40 lacs as at March 31, 2021, and total revenues of ₹ 1,292.64 lacs and net cash inflows of ₹ 31.99 lacs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the ‘other matter’ paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;

Independent Auditor's Report

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated 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) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 35to the consolidated Ind AS financial statements;

   ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, incorporated in India during the year ended March 31, 2021.

For **S.R. BATLIBOI & CO. LLP**
ICAI Firm registration number: 301003E/E300005
Chartered Accountants
Sd/-
per **Sanjay Kumar Agarwal**
Partner
Membership No.: 060352
UDIN: 21060352AAAABG9 467

Place: Kolkata
Date: May 15, 2021

For **M/S. S.K. NAREDI & CO.**
ICAI Firm registration number: 003333C
Chartered Accountants
Sd/-
per **Abhijit Bose**
Partner
Membership No.: 056109
UDIN: 21056109AAAABP1021

Place: Kolkata
Date: May 15, 2021

Consolidated Ind AS Balance Sheet

as at March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,22,417.94	1,15,973.04
(b) Capital work-in-progress	4(a)	27,563.37	21,903.00
(c) Goodwill		503.19	503.19
(d) Intangible assets	5	89.08	96.55
(e) Right-of-use assets	6	1,025.51	880.67
(f) Financial assets			
(i) Trade receivables	8(a)	-	371.36
(ii) Investments	7	10.50	10.50
(iii) Loans	9	1,411.46	1,377.51
(iv) Other financial assets	10	51.81	71.32
(g) Non-current tax assets (net)	12(a)	249.58	249.58
(h) Deferred tax Assets (net)	11(b)	259.56	31.50
(i) Other non-current assets	13	1,486.25	2,231.52
		1,55,068.25	**1,43,699.74**
Current assets			
(a) Inventories	14	43,220.40	35,871.43
(b) Financial assets			
(i) Trade receivables	8(a)	56,880.98	34,268.53
(ii) Cash and cash equivalents	15(a)	6,734.54	264.62
(iii) Bank balances other than (ii) above	15(b)	111.14	64.27
(iv) Loans	9	163.39	1,378.38
(v) Other financial asets	10	2,729.31	2,714.70
(c) Current tax assets (net)	12(b)	49.21	501.82
(d) Other current assets	13	5,483.34	4,115.86
		1,15,372.31	**79,179.61**
TOTAL ASSETS		**2,70,440.56**	**2,22,879.35**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	3,193.27	3,260.77
(b) Other equity	17	85,065.23	84,339.29
TOTAL EQUITY		**88,258.50**	**87,600.06**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	66,993.80	47,903.26
(ii) Lease liabilities	19	384.06	370.83
(b) Deferred tax liabilities (net)	11(a)	6,539.32	5,944.50
(c) Other non-current liabilities	23	1,698.82	1,677.62
		75,616.00	**55,896.21**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	46,525.90	40,176.83
(ii) Lease liabilities	19	34.22	62.80
(iii) Trade payables	20		
a) Total outstanding dues of micro enterprises and small enterprises		728.48	88.30
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		42,327.90	21,307.93
(iv) Other financial liabilities	21	14,608.28	15,915.12
(b) Other current liabilities	23	1,590.36	1,242.01
(c) Provisions	22	580.53	590.09
(d) Current tax liabilities (net)	12(c)	170.39	-
		1,06,566.06	**79,383.08**
TOTAL LIABILITIES		**1,82,182.06**	**1,35,279.29**
TOTAL EQUITY & LIABILITIES		**2,70,440.56**	**2,22,879.35**

Significant Accounting Policies 2

The accompanying notes form an integral part of these consolidated Ind AS financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

For and on behalf of the Board of Directors of Ramkrishna Forgings Limited

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : June 15, 2021

Consolidated Ind AS Statement of Profit and Loss

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	24	1,28,893.21	1,21,647.18
Other income	25	558.97	679.55
Total Income (i)		**1,29,452.18**	**1,22,326.73**
Expenses			
Cost of materials consumed	26	63,795.42	55,610.52
Cost of services		398.91	8,887.85
Trading purchase		60.33	-
(Increase) / Decrease in inventories of finished goods, work in progress, scrap and traded goods	27	96.73	(5,089.81)
Employee benefits expense	28	9,601.35	10,281.28
Power & Fuel		9,358.51	9,732.19
Finance costs	29	7,984.91	7,874.79
Depreciation and amortisation expense	6A	11,670.44	12,054.06
Other expenses	30	23,311.38	21,496.62
Total Expenses (ii)		**1,26,277.98**	**1,20,847.50**
Profit before Tax (i-ii)		**3,174.20**	**1,479.23**
Tax expense			
- Pertaining to Profit for the current period		731.07	271.28
- Tax adjustments for earlier years		27.95	8.71
- Deferred tax charge *		348.35	229.69
Total tax expense (iii)		**1,107.37**	**509.68**
Profit for the year (iv) = (i - ii - iii)		**2,066.83**	**969.55**
* Includes credit of Minimum Alternate Tax of ₹ 256.35 lakhs (March 31, 2020 : ₹ 145.13 lakhs)			
Other Comprehensive Income / (Loss)			
Other comprehensive income not to be reclassified to Profit or Loss in subsequent periods:			
i) Re-measurement Income / (losses) on defined benefit plans		53.12	(50.13)
ii) Income tax effect on above		(18.44)	16.90
Other comprehensive income to be reclassified to Profit or Loss in subsequent periods:			
Exchange difference on translation of foreign operations		(0.40)	-
Other Comprehensive Income / (Loss) for the year (net of tax) (v)		**34.28**	**(33.23)**
Total Comprehensive Income for the year (iv + v)		**2,101.11**	**936.32**
Earnings per equity share -	31		
(Nominal value ₹ 10 per share (March 31, 2020: ₹ 10 per share))			
1) Basic		6.44	2.97
2) Diluted		6.44	2.97

Significant Accounting Policies 2

The accompanying notes form an integral part of these consolidated Ind AS financial statements

As per our report of the even date

For and on behalf of the Board of Directors of
Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Consolidated Ind AS Statement of Cash Flows

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAXES	3,174.20	1,479.23
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization	11,670.44	12,054.06
Balances Written Off (Net)	527.87	270.99
Allowance for bad and doubtful debts	-	106.29
Gain on sale of Fixed Assets/Discarded Assets	78.24	39.86
Employees Stock Option Expenses	89.89	5.12
Interest income	(244.91)	(163.70)
Foreign exchange gain (Unrealised)	(790.15)	(728.55)
Amortisation of Government Grants	(394.88)	(1,316.60)
Finance Costs	7,984.91	7,874.79
Operating Profit before changes in operating assets and liabilities	**22,095.61**	**19,621.49**
Changes in operating assets and liabilities:		
Decrease / (Increase) in trade receivables	(25,158.52)	17,521.02
Decrease / (Increase) in inventories	(7,316.78)	(2,745.40)
Decrease / (Increase) in loans	545.05	(784.71)
Decrease / (Increase) in other financial assets	315.80	(537.09)
(Increase) in other assets	(1,316.93)	(1,651.29)
Increase / (Decrease) in provisions	43.57	(49.60)
Increase/ (Decrease) in Lease liabilities	(23.46)	64.88
Increase / (Decrease) in trade payables	23,810.93	(6,084.15)
Increase / (Decrease) in other financial liabilities	756.21	802.82
Increase / (Decrease) in other liabilities	337.92	(32.70)
Cash generated from operations	**14,089.40**	**26,125.27**
Direct Tax refund / (paid)	(135.95)	(706.30)
NET CASH FROM OPERATING ACTIVITIES (A)	**13,953.45**	**25,418.97**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment and intangible assets (including capital work-in-progress and capital advances)	(23,088.91)	(22,759.37)
Proceeds from sale of property, plant & equipment	83.11	43.59
Redemption / (Investment) of bank deposits	(26.49)	21.27
Loan given to Group Company	632.66	(632.66)
Interest Received	231.94	202.36
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	**(22,167.69)**	**(23,124.81)**

Consolidated Ind AS Statement of Cash Flows

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Equity Share Capital including Securities Premium under ESOP	-	3.40
Buy-back of equity shares	(1,295.01)	-
Tax on Buy-back of equity shares	(269.84)	-
Dividend paid on equity shares	-	(489.79)
Tax on equity dividend paid	-	(100.70)
Advance given to ESOP trust	19.40	(278.01)
Interest paid	(7,777.14)	(7,649.45)
Payment of principal portion of lease liabilities	(21.99)	(44.31)
Proceeds from Long Term Borrowings	27,917.99	12,063.00
Repayment of Long Term Borrowings	(10,233.72)	(9,695.92)
Short Term Borrowings (Net)	6,344.47	3,951.31
NET CASH OUTFLOW FROM FINANCING ACTIVITIES (C)	**14,684.16**	**(2,240.47)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**6,469.92**	**53.69**
Opening Cash and cash equivalents	264.62	210.93
Closing Cash and cash equivalents	6,734.54	264.62
NET INCREASE IN CASH AND CASH EQUIVALENTS	**6,469.92**	**53.69**

Notes:	**As at March 31, 2021**	As at March 31, 2020
a) **Cash and Cash Equivalents Include:**		
Cash and Cash Equivalents:		
i) Cash in hand	3.46	7.75
ii) Balances with banks		
- On Current Accounts	2,635.52	256.87
- Fixed deposits with original maturity of less than 3 months	4,095.56	-
Cash and Cash Equivalents	**6,734.54**	**264.62**

Significant Accounting Policies — Note 2

The accompanying notes form an integral part of these consolidated Ind AS financial statements

As per our report of the even date

For and on behalf of the Board of Directors of Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Consolidated Ind AS Statement of Changes in Equity

for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

A Equity Share Capital (Refer Note 16)

Particulars	Balance as at March 31, 2020	Buy-Back during the year	Balance as at March 31, 2021
Equity Share of ₹ 10/- each issued, subscribed and fully paid	3,260.77	(67.50)	3,193.27
Equity Share in numbers	3,26,07,699	(6,74,993)	3,19,32,706

i) The Parent Company, during earlier year had allotted 61,392 nos equity shares of face value ₹ 10/- each at a premium of ₹ 390/- aggregating to ₹ 245.57 lakhs to Ramkrishna Forgings Limited Employee Welfare Trust under Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015).

Further, the Parent Company had given advances to M/s. Ramkrishna Forgings Limited Employee Welfare Trust (""the trust"") which would be recovered from the trust on issue of the aforesaid shares to the employees in terms of the above scheme. The trust had refunded ₹ Nil (March 31, 2020: ₹ 3.40 lakhs in respect of 850 numbers of equity shares) issued to the employees. The amount towards balance 45,201 numbers of equity shares receivable from Ramkrishna Forgings Limited Employee Welfare Trust has been adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹ 176.28 lakhs in the securities premium account (Previous year 46,051 number of equity shares was adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹176.28 lakhs in the securities premium account). The Balance amount of advance paid to Ramkrishna Forgings Trust after the above adjustment as at March 31, 2021 is ₹ 281.41 lakhs (March 31, 2020: ₹ 281.41 lakhs) has been disclosed under other financial assets (refer note 10 and 39)

B Other Equity (Refer Note 17)

Particulars	Reserve and Surplus						Other Reserve	Total
	Capital Reserve	Securities Premium Reserve	General reserve	Employee Stock Options Outstanding (ESOP)	Capital redemption reserve	Retained earnings	Foreign Currency Translation Reserve	
Balance as at March 31, 2019	**3,546.01**	**38,065.24**	**3,448.15**	**622.85**	**-**	**38,302.76**	**-**	**83,985.01**
Profit for the year	-	-	-	-	-	969.55	-	969.55
Other comprehensive income (net of tax)								
- Re-measurement (losses) on defined benefit plans	-	-	-	-	-	(33.23)	-	(33.23)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**936.33**	**-**	**936.33**
Transfer of Retained earnings to General reserve	-	-	500.00	-	-	(500.00)	-	-
ESOP cost amortized during the year	-	-	-	5.13	-	-	-	5.13
Securities premium on issue of equity share under ESOP scheme 2015	-	3.32	-	-	-	-	-	3.32
Equity Dividend for the year 2018-19 (Refer note 42)	-	-	-	-	-	(489.79)	-	(489.79)
Tax on equity dividend (Refer note 42)	-	-	-	-	-	(100.70)	-	(100.70)
Balance as at March 31, 2020	**3,546.01**	**38,068.56**	**3,948.15**	**627.98**	**-**	**38,148.59**	**-**	**84,339.29**
Profit for the year	-	-	-	-	-	2,066.83	-	2,066.83
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-
- Re-measurement Income on defined benefit plans	-	-	-	-	-	34.68	-	34.68
Other comprehensive income to be reclassified to Profit or Loss in subsequent periods:								
Exchange difference on translation of foreign operations	-	-	-	-	-	(0.40)	-	(0.40)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,101.11**	**-**	**2,101.11**
Transfer of Retained earnings to General reserve	-	-	500.00	-	-	(500.00)	-	-
ESOP cost amortized during the year	-	-	-	89.89	-	-	-	89.89
Amount transferred to Capital redemption reserve upon Buyback of shares	-	-	(67.50)	-	67.50	-	-	-
Buyback of shares (Refer note 16c)	-	(1,227.51)	-	-	-	-	-	(1,227.51)
Buyback distribution tax	-	-	(269.84)	-	-	-	-	(269.84)
Foreign Currency Translation Reserve (Refer note 17g)	-	-	-	-	-	-	32.28	32.28
Balance as at March 31, 2021	**3,546.01**	**36,841.05**	**4,110.81**	**717.87**	**67.50**	**39,749.71**	**32.28**	**85,065.23**

Significant Accounting Policies Note 2

The accompanying notes form an integral part of these consolidated Ind AS financial statements

As per our report of the even date

For and on behalf of the Board of Directors of Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
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Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Notes to the Consolidated Ind AS Financial Statements

as at and for the year ended March 31, 2021

1. Group Overview

Ramkrishna Forgings Limited ("the Parent Company") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE). The registered office of the Parent Company is located at 23, Circus Avenue, 9th floor, Kolkata - 700 017, West Bengal, India. The Parent Company is primarily engaged in manufacturing and sale of forged components of automobiles, railway wagons & coach and engineering parts. The Parent Company presently has has manufacturing facilities at Gamaria, Adityapur Industrial Area, Baliguma, Dugni at Saraikela, Jamshedpur in Jharkhand and at Liluah in West Bengal. The consolidated financial statements comprise financial statements of the Parent Company and its subsidiaries (Globe All India Services Limited (Formerly known as Globe Forex & Travel Ltd.), Ramkrishna Aeronautics Private Limited and Ramkrishna Forgings LLC w.e.f. 03.12.2019), collectively ("the Group"). These consolidated financial statements were approved and authorised for issue with the resolution of the Board of Directors on May 15, 2021.

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 consolidated 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 Group's functional and presentation currency and all values are rounded to the nearest lakhs (INR 1,00,000), except when otherwise indicated.

2.2 Historical cost convention

These consolidated financial statements have been prepared on a historical cost basis, except the following, which are measured at fair values:-

i) certain financial assets and liabilities (including derivative instruments);

ii) Plan assets of defined benefit employee benefit plans

2.3 Summary of Significant Accounting Policies

a) Property, Plant and Equipment

Tangible Assets and Depreciation.

Tangible Assets are stated either at deemed cost as considered on the date of transition to Ind AS or at cost of acquisition / construction together with any incidental expenses related to acquisition and appropriate borrowing costs, less accumulated depreciation and accumulated impairment loss, if any. An impairment loss is recognized where applicable, when the carrying value of tangible assets of cash generating unit exceed its fair value or value in use, whichever is higher.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred, if any.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation on property, plant and equipment is provided under the straight-line method over the useful lives of assets as prescribed in Part C of Schedule II to the Companies Act 2013 except for the following assets where the useful life considered is different than that prescribed in Schedule II on the basis of management's technical evaluation. The management believes that the useful lives as given below represents the period over which management expects to use these assets.

Type of asset	Useful lives estimated by the management (years)
Air Conditioning Machines	10
Plant and Machinery (Including Dies)	10 to 40

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Depreciation for assets purchased / sold during the year is proportionately charged. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b) Intangible assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation, impairment loss, if any.

Computer Software for internal use, which is primarily acquired from third party vendors, is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit or loss when the asset is derecognised.

Type of asset	Useful lives estimated by the management (years)
Intangible assets - Computer software	5

c) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

d) 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 Group 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 service tax. The Group 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.

Notes to the Consolidated Ind AS Financial Statements

as at and for the year ended March 31, 2021

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

Sale of Products

Revenue from sale of products is recognized when the Group transfers the control of goods to the customer as per the terms of contract. The Group 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 Group considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). In case of DDP export sales where the Group provides warehousing services to its customers in their respective countries, revenue is recognised when the goods are lifted by the customer. In other cases of export sales, the Group believes that the control gets transferred to the customer on the date of bill of lading.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at April 1, 2018.

Sale of Services

The revenue is measured as the aggregate amount of gross revenue receivable from tours which is inclusive of airline travel services, hotel services, travel agency commission and other travel services supplied to customers in the ordinary course of business. The Group records revenue on a net basis after deducting trade discounts, volume rebates, value added tax and compensation vouchers granted to customers.

Export incentives

Exports entitlements are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

Dividend Income

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Die design and preparation charges

Revenues from die design and preparation charges are recognized on approval of die designs by the Customers.

Contract balances

Trade receivables

A receivable represents the Group'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 Group has received consideration or an amount of consideration is due from the customer. If a customer pays consideration before the Group 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 Group performs under the contract.

e) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) scheme, it is accounted for as Government grant and its amortised on the basis of fulfilment of underlying export obligations. Also Refer note 23.

Government grants such as for export benefit scheme and other grants, for which related costs are recognised as expense, are recognised in the Statement of Profit and Loss on matching principle. The Group considers government grant as part of it's operations and hence considered as other operating revenues.

f) Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence, if any. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

(i) **Raw materials, Stores and Spares:** These are valued at lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average method.

(ii) **Finished goods and work in progress:** These are valued at lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of finished goods also includes excise duty. Cost is determined on weighted average method.

(iii) **Scrap:** Scrap is valued at Net Realisable Value.

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

g) 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 Group 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 Group classifies a financial asset in accordance with the below criteria:

i. The Group'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 Group 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)

Notes to the Consolidated Ind AS Financial Statements

as at and for the year ended March 31, 2021

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 Group'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 Group (Refer note 36 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 Group'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 Group 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 Group excluding investments in subsidiary companies (Refer note 38 for further details). 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 Group's Balance Sheet when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Group 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 Group 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 Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group 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 Group 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 Group 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. Note 39a details how the Group determines whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, '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 Group are subsequently measured at amortized cost using the effective interest method (Refer note 38 for further details).

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.

h) Fair Value Measurement

The Group 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

Notes to the Consolidated Ind AS Financial Statements
as at and for the year ended March 31, 2021

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group 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.

i) Investment in Subsidiary Companies

Investment in subsidiaries are carried at cost or at deemed cost as considered on the date of transition to Ind- AS less provision for impairment loss, if any. Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The details of such investments are given in Note 7.

j) Foreign Currency Transactions and Balances

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group 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 (other than relating to long-term foreign currency monetary items recognised up to March 31, 2017) arising from settlement of foreign currency transactions and from the year end restatement are recognised in profit and loss.

Exchange differences arising on reporting of long-term foreign currency monetary items recognised up to March 31, 2017 (i) relating to acquisition of depreciable capital assets is adjusted to the carrying amount of such assets (to be depreciated over the balance life of the related asset).

k) 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 consolidated 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax assets. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Presentation of current and deferred tax:

The Group 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 Group 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 Group.

l) Provisions and Contingencies

The Group 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.

m) 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.

n) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which related service is rendered.

Post-Employment Benefits:

I. Defined Contribution plans:

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

II. Defined Benefit plans:

a. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method as per Ind AS 19 at the year end.

b. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligations.

Notes to the Consolidated Ind AS Financial Statements

as at and for the year ended March 31, 2021

c. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.

d. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

e. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

Other employee benefit obligations

The liabilities for earned leave and sick leave are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as per Ind AS 19. The benefits are discounted using the market yields on Government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss. Entitlements to annual leave (earned leave) are recognized when they accrue to employees. They can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave.

o) Employee Stock Options Scheme/ Share based payments

The grant date fair value of equity settled share based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of the vesting period, the entity revises its estimates of the number of options that are expected to vest based on the non market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in the Statement of Profit or Loss, with a corresponding adjustment to equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

p) Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

q) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

r) 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.

s) 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.

2.4 Principles of Consolidation

a. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2021.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests if any, even if this results in the non-controlling interests having a deficit balance.

2.5 Current v/s Non Current Classification

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

An asset is classified as current when it is:

a. Expected to be realised or intended to be sold or consumed in the normal operating cycle,

b. Held primarily for the purpose of trading,

c. Expected to be realised within twelve months after the reporting period, or

d. 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:

a. It is expected to be settled in the normal operating cycle,

b. It is held primarily for the purpose of trading,

c. It is due to be settled within twelve months after the reporting period, or

d. 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 Group has identified twelve months as its operating cycle.

Notes to the Consolidated Ind AS Financial Statements
as at and for the year ended March 31, 2021

3.1 Key Accounting Estimates & Judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

Deferred tax assets are recognised for unused tax losses / MAT carry forward to the extent is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including amount expected to be paid / recovered for uncertain tax positions (Refer note 11).

b. Property, Plant and Equipment and Useful Life of PPE and Intangible Assets

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

c. Defined Benefit Plans

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefits accounting is intended to reflect the recognition of future benefits cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate, rate of compensation increase and future mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations, funding requirements and benefit costs incurred. Refer note 41.

d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

e. Provisions and Contingencies

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Group often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Group consults with legal counsel and certain other experts on matters related to litigations. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

3.2 Standard issue but not effected

There are no standards issued but not yet effective up to the date of issuance of the Group's financial statements.

3.3 Changes in accounting policies and disclosures

i. Amendments in Ind AS

The Group had no material impact on the consolidated financial statements on account of Amendments from April 1,2020 in Ind AS 1 Presentation of Financial Statements, Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, Ind AS 10 Events after the Reporting Period, Ind AS 34 Interim Financial Reporting, Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, Ind AS 103 Business Combination, Ind AS 107 Financial Instruments: Disclosures, Ind AS 109 Financial Instruments and Ind AS 116 Lease.

Notes to the Consolidated Ind AS Financial Statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

4. Property, plant and equipment

Particulars	Freehold Land (Including cost of Development)	Factory Shed and Building	Office Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment's	Computer	Air Conditioning Machines	Total
Cost										
As at April 1, 2019	**1,724.43**	**9,291.16**	**5,297.09**	**1,17,196.59**	**2,563.78**	**680.30**	**142.19**	**845.73**	**567.16**	**1,38,308.43**
Additions #@	-	324.23	6,766.73	8,297.98	919.37	170.02	592.18	42.42	128.47	17,241.40
Disposals/ deductions	-	-	-	71.11	19.08	132.71	72.87	36.32	8.57	340.66
As at March 31, 2020	**1,724.43**	**9,615.39**	**12,063.82**	**1,25,423.46**	**3,464.07**	**717.61**	**661.50**	**851.82**	**687.06**	**1,55,209.17**
Additions #@	-	1,124.35	418.25	15,977.64	222.22	282.92	72.34	83.20	28.43	18,209.35
Disposals/ deductions	-	-	-	297.95	-	159.38	-	-	-	457.33
As at March 31, 2021	**1,724.43**	**10,739.74**	**12,482.07**	**1,41,103.15**	**3,686.29**	**841.15**	**733.84**	**935.03**	**715.49**	**1,72,961.19**
Depreciation										
As at April 1, 2019	-	907.68	501.13	24,485.21	860.31	184.65	77.59	356.06	194.02	27,566.65
Charge for the year	-	327.57	190.66	10,790.64	302.92	88.47	35.29	127.33	63.82	11,926.69
Disposals/ deductions	-	-	-	41.83	18.13	91.08	63.77	34.26	8.14	257.21
As at March 31, 2020	**-**	**1,235.25**	**691.79**	**35,234.02**	**1,145.10**	**182.02**	**49.11**	**449.13**	**249.70**	**39,236.13**
Charge for the year	-	352.31	292.01	10,162.46	377.07	97.16	126.56	107.37	73.14	11,588.09
Disposals/ deductions	-	-	-	155.04	-	125.93	-	-	-	280.97
As at March 31, 2021	**-**	**1,587.56**	**983.79**	**45,241.44**	**1,522.17**	**153.26**	**175.67**	**556.50**	**322.84**	**50,543.25**
Net Block										
As at March 31, 2020	**1,724.43**	**8,380.14**	**11,372.03**	**90,189.44**	**2,318.97**	**535.58**	**612.39**	**402.69**	**437.37**	**1,15,973.04**
As at March 31, 2021	**1,724.43**	**9,152.18**	**11,498.28**	**95,861.71**	**2,164.12**	**687.89**	**558.17**	**378.53**	**392.65**	**1,22,417.94**

An amount of ₹ 151.79 lakhs (March 31, 2020 : ₹ 94.99 lakhs) included in plant and machinery is towards Export Promotion Capital Goods scheme.

@ An amount of ₹ 801.57 lakhs (March 31, 2020 : ₹ 337.50 lakhs) included in plant and machinery is towards expenses incurred on Trial run.

i) For lien / charge against property, plant and equipment, Refer note 18.3

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

4.(a) Capital work-in-progress

Particulars	Capital work-in-progress	Total
Cost		
As at April 1, 2019	12,958.51	12,958.51
Additions	21,731.21	21,731.21
Capitalised to PPE	12,786.72	12,786.72
As at March 31, 2020	**21,903.00**	**21,903.00**
Additions	13,657.87	13,657.87
Capitalised to PPE	7,997.50	7,997.50
As at March 31, 2021	**27,563.37**	**27,563.37**
As at March 31, 2020	**21,903.00**	**21,903.00**
As at March 31, 2021	**27,563.37**	**27,563.37**

4. i) Details of expenditure on New / Expansion projects pending allocation and included in Capital work in progress

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages & Allowances	665.45	381.48
Power and Fuel	28.39	14.07
Carriage Inward Expenses	26.89	7.66
Insurance Charges	68.70	14.70
Interest / Bank Charges	1,407.95	1,354.00
Rate & Taxes	6.71	19.08
Miscellaneous Expenses	56.46	177.86
Travelling Expenses	7.94	26.10
Inventory consumption	801.57	337.50
Professional Fees / Consultancy	231.89	121.45
Total	**3,301.95**	**2,453.90**
Add: Balance brought forward from previous year	2,730.07	1,193.64
	6,032.02	**3,647.54**
Less: Transfer / Allocated to Property, Plant and equipment during the year	801.57	917.47
Balance pending allocation included in CWIP	**5,230.45**	**2,730.07**

5. Intangible Assets

Particulars	Computer Software	Online Portal Website Development	Total
Cost			
As at April 1, 2019	495.38	5.81	501.19
Additions	8.77	8.69	17.46
As at March 31, 2020	**504.14**	**14.50**	**518.65**
Additions	21.61	-	21.61
As at March 31, 2021	**525.77**	**14.50**	**540.26**
Depreciation			
As at April 1, 2019	**350.45**	**5.10**	**355.55**
Additions	63.55	3.00	66.55
As at March 31, 2020	**414.00**	**8.09**	**422.10**
Additions	24.94	4.13	29.07
As at March 31, 2021	**438.93**	**12.22**	**451.18**
Net Block			
As at March 31, 2020	**90.15**	**6.42**	**96.55**
As at March 31, 2021	**86.82**	**2.28**	**89.08**

Notes to the Consolidated Ind AS financial statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

6. Right-of-use Assets

Particulars	Computer Software	Online Portal Website Development	Total
Cost			
As at April 1, 2019	60.96	880.53	941.49
Additions	-	-	-
As at March 31, 2020	**60.96**	**880.53**	**941.49**
Additions	-	198.13	198.13
As at March 31, 2021	**60.96**	**1,078.66**	**1,139.62**
Depreciation			
As at April 1, 2019	-	-	-
Charge for the year	21.07	39.75	60.82
As at March 31, 2020	**21.07**	**39.75**	**60.82**
Charge for the year	23.28	30.01	53.29
As at March 31, 2021	**44.35**	**69.76**	**114.10**
Net Block			
As at April 1, 2020	**39.89**	**840.78**	**880.67**
As at March 31, 2021	**16.61**	**1,008.90**	**1,025.51**

6. (A) Depreciation and amortization expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, plant and equipment	11,588.09	11,926.69
Amortization of Intangible assets	29.07	66.55
Right-of-use assets	53.29	60.82
Total	**11,670.44**	**12,054.06**

7. Investments (Non-current)

	Face Value per share (₹)	Number of shares		Amount	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investments (other body corporate)					
At fair value through other comprehensive income					
Unquoted equity instruments (fully paid)					
Adityapur Auto Cluster	1,000	1,050	1,050	10.50	10.50
Aggregate value of unquoted investments				**10.50**	**10.50**

Additional Information:

a) Refer note 38 for information about fair value measurements.

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

8. Trade receivables

At amortised cost	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Unsecured				
Considered good	-	-	56,880.98	33,930.54
Trade Receivables which have significant increase in credit risk	-	431.62	134.81	431.63
Less: Impairment allowance (Allowance for bad and doubtful debts)	-	(60.26)	(134.81)	(93.64)
	-	**371.36**	**56,880.98**	**34,268.53**

8.1: Trade receivables are non-interest bearing and are generally received within 180 days.

8.2: The carrying amount of trade receivables may be affected by the changes in the credit risk of the counterparties as well as the currency risk as explained in Refer note 39A.

8.3: No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade receivable are due from firms or companies in which any director is a partner, a director or a member.

8.4: For lien / charge against trade receivables, Refer note 18.3.

9. Loans

At amortised cost	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Unsecured, considered good				
Security deposits	1,241.85	1,246.57	151.11	625.90
Loans to Related Parties	-	-	-	632.66
Loan to Employees	169.61	130.94	12.27	119.82
	1,411.46	**1,377.51**	**163.39**	**1,378.38**

9.1. Includes loans and advances due from officers of the Parent Company March 31, 2021: ₹ 2.50 lakhs (March 31, 2020 : ₹ 10.00 lakhs) also refer note 37.

10. Other Financial Assets (Unsecured, considered good)

At amortised cost	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Accrued Interest	-	-	111.81	96.81
Government Grant receivable	-	-	772.17	771.16
Fixed deposits with bank (Maturity of more than twelve months)	-	19.51	-	-
Export incentives receivable	-	-	1,044.42	1,131.78
Others	51.81	51.81	673.32	689.35
At FVTPL				
Foreign - exchange forward contracts	-	-	127.60	25.60
	51.81	**71.32**	**2,729.31**	**2,714.70**

10.1. Refer note 38 for determination of fair value

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

11. a. Deferred tax Liabilities (net)

	Non-Current	
	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Property, Plant and Equipment and Intangible assets	14,920.71	13,964.84
Gross Deferred Tax Liabilities	**14,920.71**	**13,964.84**
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	332.59	365.10
MAT entitlement receivable [Refer note (a) below]	7,291.49	7,035.14
On others *	757.31	620.10
Gross Deferred Tax Assets	**8,381.39**	**8,020.34**
Deferred Tax Liabilities (Net)	**6,539.32**	**5,944.50**

a) In view of profitability projections (considering additional contribution from new plants) the Group is confident that there would be sufficient taxable income in future periods to utilize MAT credit entitlements.

b) Pursuant to The Taxation Laws (Amendment) Ordinance, 2019, corporate assesses have been given the option undersection 115BAA of the Income Tax Act, 1961 to apply lower income rate with effect from April 1, 2019, subject to certain conditions specified therein. The Parent Company has assessed the impact of the Ordinance and believes that it will continue to remain in the existing tax structure for the foreseeable future based on its forecasted profits. Accordingly, no effect in this regard has been considered in measurement of tax expenses for the purpose of this financial statements. Management, however, will continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expenses when there is reasonable certainty to avail the lower rate of tax.

* Majorly represents deferred tax assets created on Government grant.

11. b. Deferred tax Assets (net)

	Non-Current	
	Year ended March 31, 2021	Year ended March 31, 2020
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	245.17	16.60
MAT entitlement receivable [Refer note (a) below]	29.50	29.50
Gross Deferred Tax Assets	**274.67**	**46.10**
Deferred Tax Liabilities		
Property, Plant and Equipment and Intangible assets	15.12	14.60
Gross Deferred Tax Liabilities	**15.12**	**14.60**
Deferred Tax Assets (Net)	**259.56**	**31.50**

a) In view of profitability projections the Group is confident that there would be sufficient taxable income in future periods to utilize MAT credit entitlements.

	Non-current	
	Year ended March 31, 2021	Year ended March 31, 2020
11.(a)(i). Reconciliation of deferred tax liabilities (net):		
Opening balance	5,944.50	5,717.95
Tax income/(expense) during the period recognised in profit or loss	613.27	241.04
Tax income/(expense) during the period recognised in OCI	(18.44)	(14.49)
Closing balance	**6,539.32**	**5,944.50**
11.(b)(i). Reconciliation of deferred tax assets (net):		
Opening balance	**31.50**	**39.26**
Tax income/(expense) during the period recognised in profit or loss	228.52	11.35
Tax income/(expense) during the period recognised in OCI	(0.46)	2.42
Utilization of MAT credit	-	(21.53)
Closing balance	**259.56**	**31.50**

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

11. c. Tax expenses

	Non-current	
	Year ended March 31, 2021	Year ended March 31, 2020
a) Income-tax expense recognised in the statement of Profit and Loss		
Current tax		
Current tax on profits for the year	731.07	271.28
Adjustments for current tax for earlier years	27.95	8.71
Total current tax expense (a)	**759.02**	**279.99**
Deferred Tax		
Origination and reversal of temporary differences	348.35	229.69
Total deferred tax expense (b)	348.35	229.69
Income-tax expense reported in the Statement of Profit and Loss	**1,107.37**	**509.68**
Deferred tax - Remeasurement of post employment defined benefit obligation	(18.44)	16.90
Total deferred tax (expense) / benefit recognised in Other Comprehensive Income	**(18.44)**	**16.90**
Income-tax expense recognised in other comprehensive income	**(18.44)**	**16.90**
Reconciliation of statutory rate of tax and the effective rate of tax		
Profit before income tax	**3,174.20**	**1,479.23**
Enacted Income tax rate in India applicable to the Group	34.944%	34.944%
Tax on Profit before tax at the enacted Income tax rate in India	1,109.19	516.90
Adjustments:		
Tax effect of amounts which are not deductible / (not taxable) in calculating taxable income:		
Items not deductible	112.72	104.49
Incentives / additional benefits allowable under Income-tax Act	(214.22)	(133.93)
Income tax (write back) / charge in respect of earlier years	27.95	8.71
Effect of lower tax rate in subsidiary	58.46	6.74
Other items	13.27	6.77
Total Income tax expense	**1,107.37**	**509.68**

12. Tax assets and liabilities

	Non-current	
	As at March 31, 2021	As at March 31, 2020
a) Non-current tax asset		
Non-current tax asset (net of provision for Income tax of ₹ Nil) (March 31, 2020 : ₹ 237.79 lakhs)	249.58	249.58
b) Current tax assets		
Income Tax Refundable	49.21	501.82
c) Current tax liabilities		
Provision for income tax (net of advance Income tax ₹ 731.07 lakhs) (March 31, 2020 : ₹ Nil)	170.39	-

13. Other assets (Unsecured, considered good)

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
a) Capital advances	1,406.91	1,743.61	-	-
b) Advance other than capital advances				
- Advance to suppliers / service provider *	-	-	2,745.72	1,619.06
- Advance to employees	-	-	11.66	11.05
c) Others				
- Prepaid expenses	27.91	36.51	1,308.50	572.35
- Balance with Govenrment Authorities	51.43	451.40	1,417.44	1,913.40
	1,486.25	**2,231.52**	**5,483.34**	**4,115.86**

* Includes certain old aged advances to Airlines March 31, 2021: ₹ 343.94 lakhs (March 31, 2020: ₹ 253.23 lakhs) which the Group expects to realize shortly.

Notes to the Consolidated Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

14. Inventories (Valued at lower of cost and net realisable value)

	As at March 31, 2021	As at March 31, 2020
Raw Materials #	11,975.53	6,212.78
Work in Progress	13,839.23	16,355.70
Inventory of traded goods	4.45	-
Finished Goods #	6,223.10	3,584.24
Stores & spares (including packing materials) #	9,970.71	9,417.44
Forgings Scrap	1,288.37	423.93
Less: Provision for Slow Moving Inventory	(80.99)	(122.66)
Total	**43,220.40**	**35,871.43**

Includes goods-in-transit a) Finished Goods ₹ 1,070.99 lakhs (March 31, 2020: ₹ 799.05 lakhs); b) Raw Materials ₹ 22.78 lakhs (March 2020: ₹ Nil); c) Stores and Spares ₹ 74.73 lakhs (March 31, 2020: ₹ 21.88 lakhs)

For lien / charge against inventories, Refer note 18.3.

15. a) Cash and Cash Equivalents:

	As at March 31, 2021	As at March 31, 2020
i) Cash in hand	3.46	7.75
ii) Balances with banks		
- On Current Accounts	2,635.52	256.87
- Fixed deposits with original maturity of less than 3 months	4,095.56	-
Cash and Cash Equivalents	**6,734.54**	**264.62**
15. b) Other Bank Balances:		
- Earmarked balances (On unclaimed dividend accounts)	2.22	1.35
- Fixed deposits with original maturity of more than 3 months but less than 12 months	108.92	62.92
Other Bank Balances	111.14	64.27
Cash and Bank balances (a + b)	**6,845.68**	**328.89**

Changes in liabilities arising from financing activities

Particulars	April 1, 2020	Cash Flows	Others*	March 31, 2021
Current borrowings	40,176.83	6,344.47	4.61	46,525.90
Non current borrowings (Including current maturities of long term debts (Refer note 21)	58,688.53	17,684.27	(39.45)	76,333.35
Total liabilities from financing activities	**98,865.36**	**24,028.74**	**(34.84)**	**1,22,859.25**

Particulars	April 1, 2019	Cash Flows	Others*	March 31, 2020
Current borrowings	36,225.52	3,951.31	-	40,176.83
Non current borrowings (Including current maturities of long term debts (Refer note 21)	54,942.35	2,367.08	1,379.10	58,688.53
Total liabilities from financing activities	**91,167.87**	**6,318.39**	**1,379.10**	**98,865.36**

* Represents the impact of foreign exchange reinstatement on foreign currency borrowing and changes in fair value of borrowing measured at amortised cost using the effective interest rate method as at March 31, 2021 and March 31, 2020.

16. Equity share capital

	Number of shares			
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Authorised capital				
Equity shares of ₹ 10/- each	3,32,50,000	3,32,50,000	3,325.00	3,325.00
			3,325.00	**3,325.00**
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each	3,21,79,887	3,26,07,699	3,193.27	3,260.77
			3,193.27	**3,260.77**

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as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Equity Shares with voting rights	Number of shares			
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
At the beginnig of the year	3,26,07,699	3,26,06,849	3,260.77	3,260.68
Buyback of shares (Refer note 16c)	(6,74,993)	-	(67.50)	-
Add: Further issue of equity shares under ESOP scheme 2015	-	850	-	0.09
At the end of the year	**3,19,32,706**	**3,26,07,699**	**3,193.27**	**3,260.77**

b) Terms / Rights attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of ₹ 10/- per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Proposed dividend is recognised in the year in which it is approved by the shareholders.

c) During the year ended March 31, 2021, the Company has completed buyback of its shares which started on April 3, 2020 and closed on September 25, 2020. The Company had bought back 6,74,993 equity shares (representing 2.07% of the pre buy back paid up equity share capital of the company) at an average price of ₹ 191.85 per equity share aggregating to ₹ 1,295.01 lakhs (including transaction costs).

d) The Parent Company, during earlier year had allotted 61,392 nos equity shares of face value ₹ 10/- each at a premium of ₹ 390/- aggregating to ₹ 245.57 lakhs to Ramkrishna Forgings Limited Employee Welfare Trust under Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015).

Further, the Parent Company had given advances to M/s. Ramkrishna Forgings Limited Employee Welfare Trust (""the trust"") which would be recovered from the trust on issue of the aforesaid shares to the employees in terms of the above scheme. The trust had refunded ₹ Nil (March 31, 2020: ₹ 3.40 lakhs in respect of 850 numbers of equity shares) issued to the employees. The amount towards balance 45,201 numbers of equity shares receivable from Ramkrishna Forgings Limited Employee Welfare Trust has been adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹ 176.28 lakhs in the securities premium account (Previous year 46,051 number of equity shares was adjusted to the extent of ₹ 4.52 lakhs in the equity shares capital and ₹ 176.28 lakhs in the securities premium account). The Balance amount of advance paid to Ramkrishna Forgings Trust after the above adjustment as at March 31, 2021 is ₹ 281.41 lakhs (March 31, 2020: ₹ 281.41 lakhs) has been disclosed under other financial assets (refer note 10 and 39)

e) The Parent Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries / associates. Details of shareholders holding more than 5% shares in the Company is given as below:

	% holding		No of shares	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹ 10/- each fully paid up				
Riddhi Portfolio Private Limited.	23.43%	22.92%	74,92,724	74,82,724
Eastern Credit Capital Private Limited.	17.57%	17.21%	56,18,500	56,18,500
Aditya Birla Sun Life Trustee Private Limited A/c	4.19%	5.57%	13,39,351	18,19,971

f) The Parent during the preceding 5 years -

i. has not allotted shares pursuant to contracts without payment received in cash.

ii. has not allotted shares as fully paid up by way of bonus shares

iii. 6,74,993 no. of equity shares (March 31, 2020: Nil) bought back during the year.

g) There are no calls unpaid by Directors / Officers of the Parent.

h) The Parent has not converted any securities into equity shares /preference shares during the above financial years.

i) The Parent has not forfeited any shares during the above financial years.

j) For details of shares reserved for issue under the Share based payment plan of the company, please refer note 32

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as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

17. Other equity

	As at March 31, 2021	As at March 31, 2020
A. Reserves and Surplus		
Capital reserves (Refer note a)	3,546.01	3,546.01
Securities Premium Account (Refer note b)	36,841.05	38,068.56
General reserve (Refer note c)	4,110.81	3,948.15
Employee's Stock Options Outstanding Account (Refer note d)	717.87	627.98
Capital redemption reserve (CRR) (Refer note e)	67.50	-
Retained earnings (Refer note f)	39,749.71	38,148.59
B. Other Reserve		
Foreign Currency Translation Reserve (Refer note g)	32.28	-
Total	**85,065.23**	**84,339.29**

a) Capital Reserve

This reserve had been created on Account of capital subsidy received in the form of sales tax refund under Jharkhand Industrial Policy, 2001 and on account of forfeiture of share warrants money.

	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance	3,546.01	3,546.01
Add: Changes during the year	-	-
Closing Balance	**3,546.01**	**3,546.01**

b) Securities Premium Reserve

Securities Premium Account is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of the Companies Act, 2013.

	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance	38,068.56	38,065.24
Less: Buyback during the year (Refer Note : 16(c))	(1,227.51)	-
Securities premium on issue of equity share under Ramkrihsna Forgings Limited ESOP scheme 2015	-	3.32
Closing Balance	**36,841.05**	**38,068.56**

c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Group may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance	3,948.15	3,448.15
Less: Appropriation upon Buyback of equity shares	(67.50)	-
Add: Amount transferred from Retained earnings	**500.00**	**500.00**
Less: Buyback distribution tax	(269.84)	-
Closing Balance	**4,110.81**	**3,948.15**

d) Employee's Stock Options Outstanding Reserve (ESOP)

Employee's Stock Options Outstanding is a stock option guaranteed to specified employees of the Parent Company. It offers option's holder the right but not an obligation to purchase shares of the Company on fulfilment of conditions mentioned in ESOP scheme at the price decided at the time of grant of options.

	As at March 31, 2021	As at March 31, 2020
Opening balance	627.98	622.85
Add: Charge for the year	89.89	5.13
Closing Balance	**717.87**	**627.98**

Notes to the Consolidated Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

e) Capital redemption reserve (CRR)

Represents the nominal value of Equity shares bought back pursuant to Buyback in accordance with Section 69 of the Companies Act, 2013.

	Year ended March 31, 2021	Year ended March 31, 2021
Opening balance	-	-
Appropriation from general reserve upon Buyback of equity shares	67.50	-
Closing Balance	**67.50**	**-**

f) Retained earnings

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.

	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	38,148.59	38,302.76
Add: Profit for the year	2,066.83	969.55
Add: Other Comprehensive Income / (Loss) for the year (net of tax)	34.28	(33.23)
	40,249.71	**39,239.08**
Less: Transfer to General Reserve	(500.00)	(500.00)
Less: Dividend	-	**(489.79)**
Less: Dividend distribution tax	-	(100.70)
	39,749.71	**38,148.59**

g) Foreign Currency Translation Reserve

Exchange differences arising from translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassifi ed to profit or loss on disposal of the net investment.

	Year ended March 31, 2021	Year ended March 31, 2020
Opening balance	-	-
Add: Arising during the year	32.28	-
Closing Balance	**32.28**	**-**

18. Borrowings

	Non-current	
	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Term Loans From banks		
- Domestic currency loans	59,323.69	43,945.85
- Foreign currency loans	11,353.20	14,619.79
- Non-Convertible Debentures (Refer Note 18.2)	5,396.12	-
- Auto car loan	260.34	122.89
Total	**76,333.35**	**58,688.53**
Less: Current maturities of long term debts (Refer note 21)	9,339.55	10,785.27
Total	**66,993.80**	**47,903.26**

(All amounts in INR Lakhs, unless otherwise stated)

	Current	
	As at March 31, 2021	As at March 31, 2020
Secured		
Repayable on demand :		
From banks		
- Cash Credit	1,654.02	4,168.29
- Working Capital Demand / Short Term Loans / FCNR *	30,249.44	19,557.60
- Packing Credit	7,132.12	15,364.86
Unsecured		
Repayable on demand :		
From banks		
- Working Capital Demand / Short Term Loans	5,491.44	390.00
- Bill discounting	1,998.88	696.08
Total	**46,525.90**	**40,176.83**

* includes guarantee given by the Parent Company on behalf of subsidiary M/s. Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.) as on March 31, 2021 ₹ 2,650.00 lakhs (March 31, 2020: ₹ 4,700.00 lakhs).

"18.1. The Group's bank loan agreements contain compliance with certain financial ratios which are not met as of March 31, 2021 in view of depressed demand further compounded by outbreak of COVID-19 pandemic. The Company has written to its concerned lenders for condonation of the non compliance with certain ratios.

The Group has received few waiver letters from the concerned banks and few are under consideration. The Group is confident of obtaining waiver letter from the such banks and accordingly no adjustment has been made in the financial statements as regards to levying of any penal interest and classification of such loans and they continue to get classified as current / non current as per the original terms of the respective loan agreements.

18.2. During the year ended March 31, 2021, the Parent Company has approved the issuance of up to 1,500 unlisted, unrated, collateralized, redeemable, non-convertible debentures, having a face value of ₹ 10.00 lakhs each, at par, for an aggregate principal amount of up to ₹ 15,000.00 lakhs, on a private placement basis to International Finance Corporation (IFC).

The Parent Company has allotted 550 debentures of face value of ₹ 10.00 lakhs each, at par, aggregating to ₹ 5,500.00 lakhs to International Finance Corporation (IFC). The Debentures will be redeemed in 9 equal semi-annual instalments starting June 15, 2023 and ending on June 15, 2027.

These allotted debentures carry a coupon rate of 10.12 % per annum which is subject to certain reduction on fulfilment of prescribed conditions in debenture trust deed.

18.3 The Group has taken borrowings in domestic and foreign currencies towards funding of its capital expenditure, working capital requirements and general corporate purpose. The borrowings comprise funding arrangements with various banks . The Group's total borrowings and a summary of security provided by the Group are as follows -

	As at March 31, 2021	As at March 31, 2020
Secured long term borrowings	75,618.35	58,688.53
Secured short term borrowings	39,750.58	39,090.75
Unsecured short term borrowings	7,490.32	1,086.08
Total borrowings	**1,22,859.25**	**98,865.36**

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(All amounts in INR Lakhs, unless otherwise stated)

Facility Category	Security Details	Payment Frequency	As at March 31, 2021	As at March 31, 2020
Rupee Term Loans	Primary Security: Term loans (except those which are having exclusive charge) are secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Parent Company excluding those assets for which there is an exclusive charge of other lenders and subject to charges of the Parent Company bankers created / to be created in their favour for working capital loans.	Repayable in balance 226 quarterly instalments	48,030.67	34,339.86
Suppliers Line of Credit *				
Rupee Term Loans			5,690.40	4,047.04
		Repayable in balance 60 monthly instalments starting from October, 2021	1,997.96	-
Foreign Currency Term Loans	Collateral Security: It is further secured by the second charge on the current assets of the Parent Company, both present and future, excluding receivables discounted by any other bank and exclusively charged to discounting lender.			2,644.84
			-	941.70
Rupee Term Loan	Secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Parent Company excluding those assets for which there is an exclusive charge of other lenders.	Repayable in balance 21 quarterly instalments	914.91	1,041.65
Rupee Term Loan	Term loans (except those which are having exclusive charge) are secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Parent Company excluding those assets for which there is an exclusive charge of other lenders and subject to charges of the Parent Company's lenders created / to be created in their favour for working capital loans. It is also secured by exclusive charge on the office building at 72, Shakespeare Sarani, Kolkata-700017. Collateral Security: It is further secured by the second charge on the current assets of the Parent Company, both present and future and excluding receivables discounted by any other bank and exclusively charged to discounting lender.	Repayable in balance 10 quarterly instalments	3,977.40	4,564.34
Rupee Term Loan	Exclusive charge on the office property acquired out of the rupee term loan facility.	Repayable in balance 30 quarterly instalments starting from May,2020	3,529.41	4,000.00
Foreign Currency Term Loan	Term Loan is secured by the exclusive first charge on the 125 MN Front Axles, Crankshafts, and Stub Axle (four at a time) Forging Press Line imported from SMS Meer,Gmbh.	Repayable in balance 7 half yearly instalments	5,662.80	6,986.21
Rupee Term Loan	First and Exclusive charge on the assets acquired out of the rupee term loan facility.	Repayable in balance 16 quarterly instalments starting from June,2022	158.33	-

(All amounts in INR Lakhs, unless otherwise stated)

Facility Category	Security Details	Payment Frequency	As at March 31, 2021	As at March 31, 2020
Privately placed Non-Convertible Debentures	Primary Security: Term loans (except those which are having exclusive charge) are secured by way of first pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Parent Company excluding those assets for which there is an exclusive charge of other lenders and subject to charges of the Parent Company's bankers created / to be created in their favour for working capital loans. Collateral Security: It is further secured by the second charge on the current assets of the Company, both present and future, excluding trade receivables discounted by any with-recourse' financing	Repayable in balance 9 half yearly instalments	5,396.12	-
Auto Loans	Secured by the exclusive first charge on the asset financed by the banks.	Repayable in balance 196 monthly instalments	260.34	122.89
Cash Credit	Working capital loans from banks are secured by first pari-passu charge on current assets of the Group, both present and future ,excluding receivables discounted by any other bank and exclusively charged to discounting lender, subject to prior charges in favour of banks created/ to be created in respect of any existing / future financial assistance / accommodation which has been/may be obtained by the Group. Collateral Security : Second pari-passu charge over all immovable and moveable fixed assets, both present and future, of the Group excluding assets which are exclusively charged to other lenders.	On demand	3,992.89	6,608.29
Working Capital Demand Loan / Short term Loan		On demand	20,800.41	15,459.72
Packing Credit Loan in INR.		On demand	7,132.12	15,364.84
FCNR		On demand	997.95	1,657.90
Tata Capital Bill Discouting	Exclusive charge on the discounted bills of Tata Motors	On demand	6,827.21	-
Unsecured Bill Discounting	Unsecured	On demand	1,998.88	696.08
Working Capital Demand / Short Term Loans	Unsecured	On demand	5,491.44	390.00
Total			**1,22,859.26**	**98,865.33**

* Suppliers line of credit is a part of term loan facilities extended by the banks.

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(All amounts in INR Lakhs, unless otherwise stated)

18.4. Terms of repayment of total borrowings outstanding as of March 31, 2021 are provided below:

Borrowings	Range of Effective Interest Rate (%)	<=1 year	1-3 years	3-5 Years	> 5 Years	Total
Domestic Currency Term Loan	8.05 - 10.00	9,368.71	26,456.32	23,253.82	7,415.80	66,494.65
Auto Loan	7.20 - 9.10	136.64	754.57	82.06	2.08	975.34
Foreign Currency Term Loan	1.25	1,657.11	3,314.22	828.55	-	5,799.88
Non-Convertible Debentures	10.12	-	1,222.22	2,444.44	1,833.33	5,500.00
Cash Credit	8.80-10.50	1,654.02	-	-	-	1,654.02
Working Capital Demand Loan/ Short term Loan	6.95- 9.80	20,852.38	-	-	-	20,852.38
PCFC in INR (net of Subvention)	3.34- 4.50	7,132.12	-	-	-	7,132.12
FCNR	8.15	997.95				997.95
Tata Capital Bill Discouting		6,827.21				6,827.21
Unsecured Loan - Bill Discounting	7.5	1,998.88	-	-	-	1,998.88
Unsecured Loan - Short Term Loan	2.80-7.50	5,491.44	-	-	-	5,491.44
		56,116.46	**31,747.33**	**26,608.88**	**9,251.21**	**1,23,723.87**

The above maturity is based on the total principal outstanding gross of the processing fees and charges of ₹ 864.62 lakhs (March 31, 2021: ₹ 615.90 lakhs).

19. Lease

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Lease Liabilities	384.06	370.83	34.22	62.80
	384.06	**370.83**	**34.22**	**62.80**

20. Trade payables

	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Total outstanding due of micro and small enterprises (Refer note 36)	728.48	88.30
	728.48	88.30
Total outstanding dues of creditors other than micro and small enterprises	22,466.91	13,530.07
Acceptance given to Bank	19,860.99	7,777.86
	42,327.90	**21,307.93**
	43,056.38	**21,396.23**

20.1. Trade payables other than acceptance given to the bank are non- interest bearing. Trade payable are normally settled within 90 days credit terms.

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(All amounts in INR Lakhs, unless otherwise stated)

21. Other financial liabilities

	Current	
	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Employee related dues	1,439.09	1,401.43
Interest accrued but not due on borrowings	651.63	553.17
Payable for capital goods	2,910.60	2,394.06
Current maturities of long-term borrowings (Refer note 18)	9,339.55	10,785.27
Unpaid dividends@	2.22	1.35
Other financial liabilities	265.19	15.90
At FVTPL		
Foreign - exchange forward contracts	-	750.74
Interest rate swaps	-	13.20
	14,608.28	**15,915.12**

@ Appropriate transfers have been made by the Company to the Investor Education and Protection Fund during the year. ₹ 0.10 lakhs is due and is required to be credited to Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

21.1. Refer note 38 for determination of fair value

22. Provisions

	Current	
	As at March 31, 2021	As at March 31, 2020
Provision for gratuity (Refer note 41)	129.51	209.27
Provision for compensated absences	451.03	380.82
	580.53	**590.09**

23. Other liabilities

	Non-Current		Current	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Advance from customers	-	-	956.89	636.69
Statutory dues payable	-	-	510.56	219.12
	-	**-**	**1,467.45**	**855.81**
Government grants				
# Opening balance	1,677.61	1,968.82	386.20	1,045.43
Released to Statement of Profit and Loss	-	-	(393.88)	(1,045.43)
Accrued during the year	151.79	94.99	-	-
Reclassified from non-current to current	(130.58)	(386.19)	130.59	386.20
Closing balance	1,698.82	1,677.62	122.91	386.20
	1,698.82	**1,677.62**	**1,590.36**	**1,242.01**

Includes Government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) scheme on purchase of property, plant and equipment accounted for as Government grant and being amortised on basis of fulfilment of export obligations and includes subsidies provided to the Parent Company as per Jharkhand Industrial and Investment Promotion Policy, 2016.

Notes to the Consolidated Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

24. Revenue from operations

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products	1,15,998.95	98,146.39
Sale of services		
- Job Work	-	4.85
- Tours and other services	548.50	9,854.84
- Commision & Incentives	246.78	794.71
- Die design and preparation charges	704.13	481.94
Other operating revenues		
- Sales of Scrap	8,123.72	6,905.59
- Export incentives	1,572.46	1,941.29
- Foreign exchange difference on operating assets and liabilities	1,303.77	2,200.97
- Subsidies / Government Grants	394.88	1,316.60
	1,28,893.21	**1,21,647.18**
India	77,100.79	77,949.26
Outside India	51,792.42	43,882.30
Total Revenue from operations	**1,28,893.21**	**1,21,831.56**

Revenue is recognized at a point in time and not over time.

25. Other income

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income on		
- Financial assets, recognised at amortised cost	212.25	140.07
- Income Tax Refund	32.65	23.63
Other non-operating income		
- Miscellaneous Income [a]	314.06	515.85
	558.97	**679.55**

a. Includes Insurance claim received of ₹ 235.64 lakhs (March 31, 2020: ₹ 71.52 lakhs)

26. Cost of material consumed

	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year (Refer note 14)	6,212.78	7,923.06
Add: Purchases	69,558.17	53,900.24
	75,770.95	61,823.30
Less: Inventory as at end of the year (Refer note 14)	11,975.53	6,212.78
Cost of Raw Materials consumed*	**63,795.42**	**55,610.52**

* Excluding ₹ 1,875.53 lakhs (March 31, 2020 : ₹ Nil) of raw materials consumed during trial run.

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(All amounts in INR Lakhs, unless otherwise stated)

27. (Increase) / Decrease in inventories of finished goods, work in progress, scrap and traded goods

	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year (Refer note 14)		
Work-in-progress	16,355.70	14,111.28
Forging scrap	3,584.26	1,186.41
Finished goods	423.93	313.88
	20,363.89	**15,611.57**
Inventory at the end of the year (Refer note 14)		
Work-in-progress	13,839.23	16,355.70
Forging scrap	6,223.10	3,584.26
Inventory of traded goods	4.45	-
Finished goods	1,288.37	423.93
	21,355.15	**20,363.89**
Add: Foreign currency translation adjustment	14.04	-
Inventory Gain / (loss) on trial run during the year	1,073.96*	(337.49)
	96.73	**(5,089.81)**

*Arisen out of ₹ 1,875.53 lakhs (March 31, 2020 : ₹ Nil) raw material consumed during trial run as stated in note 26 above.

28. Employee benefits expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	8,436.20	9,157.51
Contribution to provident & other funds	529.16	584.03
Gratuity expense (Refer note 41)	225.07	232.11
Employees stock option plan	89.89	5.12
Staff welfare expenses	321.03	302.51
	9,601.35	**10,281.28**

28.1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

29. Finance costs

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses	6,687.56	6,110.45
Interest on Lease Liabilities	32.87	34.67
Other borrowing costs	1,264.48	1,729.67
	7,984.91	**7,874.79**

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(All amounts in INR Lakhs, unless otherwise stated)

30. Other expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Carriage inward expenses	287.47	293.57
Consumption of stores and spares (Including packing materials)	6,395.15	5,795.15
Processing charges	4,932.96	4,383.58
Repairs and maintenance		
-Plant & machineries	654.13	490.23
-Factory shed & buildings	77.80	50.53
- Others	403.83	483.97
Rent	209.15	55.85
Rates & taxes	52.68	67.24
Insurance	511.35	510.02
Director sitting fees & commission	75.11	59.25
Bank charges & commission	79.54	105.48
Postage, telegraph & telephone	65.56	79.71
Legal & professional fees [a]	448.94	441.26
Travelling & conveyance expenses	149.89	467.72
Advertisement	10.98	25.85
Payment to auditors [b]	90.20	97.31
Brokerage & commission expenses	102.69	117.16
Vehicle running expenses	96.69	109.73
Carriage outward expenses	900.79	790.47
Export expenses	4,363.60	4,192.40
Balances written off (Net)	527.87	270.97
Foreign exchange difference on non-operating assets and liabilities	15.42	480.19
Loss on Sales / Discarded Assets (Net)	78.24	39.86
Allowance for bad and doubtful debts	-	125.38
Miscellaneous expenses [c]	2,781.34	1,963.74
	23,311.38	**21,496.62**

	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Legal and professional expenses include payment to a firm of solicitors in which a director is a partner.	35.57	-

	For the year ended March 31, 2021	For the year ended March 31, 2020
b. Details of payment to auditors:		
As auditor:		
Audit Fees	45.00	43.50
Tax Audit Fees (Other than statutory auditors)	1.00	1.00
Limited Review	32.60	45.50
For other Services (Certification fees)	9.52	1.45
Reimbursement of Expenses	2.08	5.86
	90.20	**97.31**

c. Includes Corporate social responsibility expenses of ₹ 242.69 lakhs (March 31, 2020: ₹ 256.35 lakhs), Refer note 36. It also includes Donation paid to political party of ₹ Nil (March 31, 2020 : ₹ 300.00 lakhs)

Notes to the Consolidated Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

31. Earnings per equity share (EPS)

		For the year ended March 31, 2021	For the year ended March 31, 2020
Numerator for basic and diluted EPS			
Net profit after tax attributable to shareholders (in ₹)	(A)	2,066.83	969.55
Denominator for basic EPS			
- Weighted average number of equity shares for basic EPS	(B)	3,20,81,572	3,26,06,849
Denominator for diluted EPS			
- Weighted average number of equity shares for diluted EPS *	(C)	3,21,15,643	3,26,68,122
* After considering impact of ESOP			
Basic earnings per share of face value of ₹ 10/- each (in ₹)	**(A/B)**	**6.44**	**2.97**
Diluted earnings per share of face value of ₹ 10/- each (in ₹)	**(A/C)**	**6.44**	**2.97**

32. Ramkrishna Forgings Limited - Employee Stock Option Plan 2015 (RKFL ESOP Scheme 2015)

The Board of Directors at its meeting held on August 7, 2015, approved the Employee Stock Option Scheme 2015 ("ESOP Scheme 2015") for the grant upto 700000 stock option to its permanent employees working in India and wholetime Directors of the Group, in one or more tranches. Each option would be converted into one fully paid-up equity share of ₹ 10/- each of the Group. The same was approved by the members in the 33rd Annual General Meeting of the Group held on September 12, 2015. The ESOP Scheme 2015 shall be administered by the Nomination and Remuneration Committee through the Ramkrishna Forgings Limited Employee Welfare Trust.. The Scheme was further amended in the 34th Annual General Meeting held on September 24, 2016 wherein the exercise price per share was reduced from ₹ 505.58 per share to ₹ 400/- per share.

The above granted options shall vest as under:

Date of Vesting	Eligibility
3rd year	30%
4th year	30%
5th year	40%

Movement of Options Granted:

The movement of the options under ESOP Scheme 2015 for the year ended March 31, 2021 are as follows:

Particulars	March 31, 2021	March 31, 2020
Outstanding at beginning of the year	1,77,465	2,25,188
Granted during the year	16,765	-
Forfeited / Cancelled during the year	17,654	46,873
Options Vested during the year	64,160	-
Exercised during the year	-	850
Outstanding at the end of the year	1,76,576	1,77,465
Exercisable at the end of the year	1,40,283	-

Particulars	March 31, 2021	March 31, 2020
Range of exercise prices	400.00	400.00
Weighted Average Exercise Price	400.00	400.00
Weighted Average Remaining contractual years	4.13	2.72

Fair Valuation:

The fair value of the options used to compute net profit and earnings per share have been done by an independent valuer using Black-Scholes-Model. The details of options granted, the key assumptions and the Fair Value on the date of grant are as under:

Particulars	March 31, 2021	March 31, 2020
Exercise Price (₹)	400.00	400.00
Risk-Free Interest Rate	5.65%	7.61%
Life of Options Granted	6.11	6.11
Expected Volatility	45.87%	53.74%
Expected Dividend Yield	0.53%	0.35%
Weighted-Average Fair Value per Option (₹)	593.95	380.79

Volatility: The historical volatility over the expected life has been considered to calculate the fair value.

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Group expects the options to be live.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividends yields for five financial years preceding the date of the grant.

33. Leases

Operating Leases

The Group also has certain properties with lease terms of 12 months or less with low value. The Group has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Lease rentals recognised in the Statement of Profit and Loss during the year	35.10	57.71

34. Segment information

Operating Segment

The Group comprises two operating segments namely "Forging components" and "Others" which represents the Group's businesses. The Forgings segement produces and sells forged automobile components and others primarily includes services for tour and travels.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
1. Segment Revenue		
Revenue from External Customers		
(i) Forging components	1,28,097.91	1,10,997.64
(ii) Others	2,134.57	10,687.06
Total	**1,30,232.48**	**1,21,684.70**
Less : Inter Segment Revenue	(1,339.28)	(37.52)
Revenue from operations	**1,28,893.21**	**1,21,647.18**

There are two external customers in the Forging components segment who accounts for more then 10% of the Holding Company's revenue individually.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
2. Segment Results		
Profit before Interest and tax		
(i) Forging components	11,686.96	8,956.68
(ii) Others	(527.84)	397.34
Total Segment Profit	**11,159.12**	**9,354.02**
Less: Finance costs	(7,984.91)	(7,874.79)
Profit before tax	**3,174.20**	**1,479.23**
3. Segment Assets		
(i) Forging components	2,65,780.95	2,15,057.47
(ii) Others	4,659.61	7,821.88
Total Assets	**2,70,440.56**	**2,22,879.35**
4. Segment Liabilities		
(i) Forging components	1,76,930.20	1,30,120.16
(ii) Others	5,251.86	5,159.13
Total Liabilities	**1,82,182.06**	**1,35,279.29**

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(All amounts in INR Lakhs, unless otherwise stated)

5. Geographical Revenue is allocated based on the location of customers. Information regarding geographical revenue are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
India	77,100.79	77,949.26
Outside India	51,792.42	43,882.30
Total	**1,28,893.21**	**1,21,831.56**

6. Geographical non-current assets (other than financial assets and deferred tax assets) are allocated based on the location of the assets. Information regarding geographical non-current assets is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
India	1,53,085.34	1,41,587.98
Outside India	-	-
Total	**1,53,085.34**	**1,41,587.98**

35. Contingent Liabilities and Commitments:

	As at March 31, 2021	As at March 31, 2020
A. Contingent Liabilities / claims against the Company not acknowledged as debts		
(i) Electricity	45.24	45.24
(ii) Excise/Service tax demands - matters under dispute	1,393.30	1,393.00
(iii) Sales tax demands - matters under dispute	603.16	264.15
(iv) Goods and Service Tax - matters under dispute	-	45.12
(v) Bank Guarantees	5,567.63	5,567.63
(vi) Guarantees given by the Company on behalf of subsidiary #	2,650.00	4,700.00

The Outstanding short term loan in the book of subsidiary M/s. Globe All India Services Limited (Formerly known as Globe Forex & Travels Ltd.) as on March 31, 2021 is ₹ 1,996.87 lakhs (March 31, 2020: ₹ 3,751.84 lakhs).

B. Capital and other commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance).	15,025.83	25,492.43

36. Corporate social responsibility

	For the year ended March 31, 2021	For the year ended March 31, 2020
Details of CSR Expenditure		
Gross amount required to be spent by the Parent Company during the year	233.63	237.49
Amount approved by the Board to be spent during the year	242.69	256.35
Amount spent (in cash) during the year:		
(i) Construction acquisition of any asset	-	-
(ii) On purposes other then (i) above	242.69	256.35

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(All amounts in INR Lakhs, unless otherwise stated)

37. Related Party Disclosures:

Related parties where control exists :

(i)	**Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence**	(i) Riddhi Portfolio Pvt. Ltd. (ii) Eastern Credit Capital (P) Ltd. (iii) Ramkrishna Rail & Infrastructure Pvt. Ltd. (iv) Northeast Infra Properties Pvt. Ltd. (v) Dove Airlines Private Ltd. (vi) Mahabir Prasad Jalan (HUF) (vii) Naresh Jalan (HUF) (viii) Pawan Kumar Kedia (HUF)
(ii)	**Key Management Personnel (KMP)**	
	Mahabir Prasad Jalan	Chairman cum Whole Time Director.
	Naresh Jalan	Managing Director
	Pawan Kumar Kedia	Finance Director
	Chaitanya Jalan	Executive Director
	Lalit Kumar Khetan (Appointment as Executive Director w.e.f. October 20, 2020)	Executive Director & Chief Financial Officer
	Rajesh Mundhra	Parent Company Secretary
	Ram Tawakya Singh	Independent Director *
	Padam Kumar Khaitan	Independent Director *
	Amitabha Guha	Independent Director *
	Yudhisthir Lal Madan	Independent Director *
	Aditi Bagri	Independent Director *
	Sandipan Chakravortty	Independent Director *
	Partha Sarathi Bhattacharyya	Independent Director *
	Ranaveer Sinha	Independent Director *
(iii)	**Relatives of Key Management Personnel**	
	Rashmi Jalan	Wife of Naresh Jalan
	Alok Kedia	Son of Pawan Kumar Kedia
(iv)	**Firm where a director is a partner**	Khaitan & Co., LLP Khaitan & Co.
(v)	**Trusts managed by the Group**	Ramkrishna Forgings Ltd. Employee Welfare Trust Ramkrishna Foundation

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(All amounts in INR Lakhs, unless otherwise stated)

37. Related Party Disclosures: (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Sl. No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended March 31, 2021	Outstanding as at March 31, 2021	Transaction Amount for the year ended March 31, 2020	Outstanding as at March 31, 2020
i.	Riddhi Portfolio Pvt. Ltd.	Enterprise over which KMP and their relatives are able to exercise significant influence	Rent Paid	1.73	-	6.00	-
			Interest free Deposit given	-	1.50	-	1.50
			Loans Given	1,130.00	-	1,125.00	620.00
			Loan Repayment	1,750.00	-	505.00	-
			Interest Received / Receivable	90.19	-	14.06	12.66
			Property (Land) Purchased	240.00	-		
			Dividend paid	-	-	111.81	-
ii.	Dove Airlines Pvt. Ltd.	Enterprise over which KMP and their relatives are able to exercise significant influence	Claims	-	-	360.00	360.00
iii.	Eastern Credit Capital Pvt. Ltd.	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	84.28	-
iv.	Khaitan & Co., LLP	Firm where a director is a partner	Legal fees	10.28	-	-	-
v.	Khaitan & Co.	Firm where a director is a partner	Legal fees***	25.29	-	-	-
vi.	Mahabir Prasad Jalan	Key Management Personnel #	Short-term employee benefits	243.45	0.65	257.84	0.19
			Dividend paid	-	-	6.77	-
			Property (Land) Purchased	166.65	-	-	-
vii.	Mahabir Prasad Jalan (HUF)	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	1.80	-
viii.	Naresh Jalan	Key Management Personnel #	Short-term employee benefits	141.41	0.27	142.69	0.22
			Post-employment benefits	-	-	11.70	-
			Other long-term benefits	13.25	-	14.04	-
			Lease Rent paid / payable	24.00	-	24.00	-
			Rent paid / payable	1.73	-	6.00	-
			Dividend paid	-	-	4.29	-
			Sale of Air Tickets & Others	46.12	3.94	-	-
			Property (Land) Purchased	89.35	-	-	-

Notes to the Consolidated Ind AS financial statements

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(All amounts in INR Lakhs, unless otherwise stated)

Sl. No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended March 31, 2021	Outstanding as at March 31, 2021	Transaction Amount for the year ended March 31, 2020	Outstanding as at March 31, 2020
ix.	Naresh Jalan (HUF)	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	4.03	-
x.	Pawan Kumar Kedia	Key Management Personnel #	Short-term employee benefits	32.77	1.09	35.54	2.60
			Post-employment benefits	1.82	0.17	2.03	0.17
			Other long-term benefits	2.18	0.20	2.43	0.20
			Dividend paid	-	-	0.24	-
xi.	Pawan Kumar Kedia (HUF)	Enterprise over which KMP and their relatives are able to exercise significant influence	Dividend paid	-	-	0.08	-
xii.	Rajesh Mundhra	Key Management Personnel	Short-term employee benefits	32.44	1.23	34.45	2.59
			Post-employment benefits	1.35	-	1.50	0.13
			Other long-term benefits	1.56	0.15	1.81	0.15
			Dividend paid	-	-	0.26	-
			Loan repayment	7.50	-	-	-
			Loan given	-	2.50	10.00	10.00
xiii.	Lalit Kumar Khetan	Key Management Personnel	Short-term employee benefits	68.11	3.30	74.64	5.80
			Other long-term benefits	3.33	0.32	3.84	0.32
xiv.	Ram Tawakya Singh	Key Management Personnel	Sitting Fees	9.74	-	8.35	-
xv.	Padam Kumar Khaitan	Key Management Personnel	Sitting Fees	9.29	-	5.95	-
xvi.	Amitabha Guha	Key Management Personnel	Sitting Fees	11.14	-	8.75	-
xvii.	Yudhisthir Lal Madan	Key Management Personnel	Sitting Fees	11.32	-	10.05	-
xviii.	Ramkrishna Foundation	Trusts managed by the Group	CSR expenses	242.69	-	256.35	-
xix.	Aditi Bagri	Key Management Personnel	Sitting Fees	9.62	-	7.80	-
xx.	Sandipan Chakravortty	Key Management Personnel	Sitting Fees	8.55	-	7.05	-
xxi.	Partha Sarathi Bhattacharyya	Key Management Personnel	Sitting Fees	7.85	-	5.30	-

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(All amounts in INR Lakhs, unless otherwise stated)

Sl. No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended	Outstanding as at	Transaction Amount for the year ended	Outstanding as at
				March 31, 2021		March 31, 2020	
xxii.	Ranaveer Sinha	Key Management Personnel	Sitting Fees	7.60	-	6.00	-
xxiii.	Rashmi Jalan	Relative of Key Management Personnel	Dividend paid	-	-	6.28	-
xxiv.	Chaitanya Jalan	Key Management Personnel	Short-term employee benefits	21.20	0.83	21.35	0.02
			Other long-term benefits	1.10	0.10	1.15	-
			Dividend paid	-	-	0.13	-
xxv.	Alok Kedia	Relative of Key Management Personnel	Salary paid	10.32	0.70	10.71	0.85
			Post-employment benefits	0.46	0.04	0.48	0.04
			Other long-term benefits	0.53	0.05	0.58	0.05
			Dividend paid $	-	-	0.00	-
xxvi.	Ramkrishna Forgings Ltd. Employee Welfare Trust	Trusts managed by the Group	Advance given 1	-	281.41	278.01	281.41

	Nature of transactions	Transaction Amount for the year ended	
		March 31, 2021	March 31, 2020
Total of remuneration to key management personnel	Sitting Fees	75.11	59.25
	Short-term employee benefits	539.37	491.87
	Post-employment benefits	3.63	15.71
	Other long-term benefits	21.95	23.85

Note

Excludes leave encashment and gratuity which is based on actuarial valuation provided on overall Group basis.

* The Independent Directors have been considered as Key Management Personnel only for above reporting as per the requirements of Ind AS 24 - Related Party Disclosures.

$ Dividend paid to Mr. Alok Kedia ₹ Nil (March 31, 2020: ₹ 30/-)

*** Expenses receivable includes amount of ₹ 25.29 lakhs paid as legal fees to Khaitan and Co LLP., on behalf of the subsidiary.

[1] Refer Note A(i) in Statement of Changes in Equity Share Capital

38. Financial instruments

	March 31, 2021 Carrying Amount / Fair Value	March 31, 2020 Carrying Amount / Fair Value
A) Financial Assets and liabilities:		
The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:		
Financial Assets		
Financial assets carried at amortised cost		
Trade receivables (Refer note. 8)	56,880.98	34,639.89
Loans - Non-current (Refer note. 9)	1,411.46	1,377.51
Other Non-current financial assets (Refer note. 10)	51.81	71.32
Cash and Bank balances (Refer note. 15a and 15b)	6,845.68	328.89
Loans - Current (Refer note. 9)	163.39	1,378.38
Other Current financial assets (Refer note. 10)	2,601.72	2,689.10
Total financial assets carried at amortised cost	**67,955.03**	**40,485.10**

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38. Financial instruments

	March 31, 2021 Carrying Amount / Fair Value	March 31, 2020 Carrying Amount / Fair Value
Financial assets at FVTPL		
Derivative instrument (Refer note. 10)	127.60	25.60
Total financial assets carried at FVTPL	**127.60**	**25.60**
Financial assets at fair value through Other Comprehensive Income (OCI)		
Investments (Refer note. 7)	10.50	10.50
Total financial assets carried at fair value through Other Comprehensive Income (OCI)	**10.50**	**10.50**
Financial Liabilities		
Financial liabilities carried at amortised cost		
Short term borrowings (Refer note. 18)	46,525.90	40,176.83
Long term borrowings (Refer note. 18)	66,993.80	47,903.26
Lease liabilities (Refer note. 19)	418.28	433.62
Trade payables (Refer note. 20)	43,056.38	21,396.23
Other Current financial liabilities (Refer note. 21)	14,608.28	15,901.92
Total financial liabilities carried at amortised cost	**1,71,602.66**	**1,25,811.85**
Financial Liabilities at FVTPL		
Derivative instrument (Refer note. 21)	-	763.94
Total financial liabilities carried at FVTPL	**-**	**763.94**

The management assessed that the fair value of cash and cash equivalents, trade receivables, derivative instruments, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

B. Fair value hierarchy:

TThe Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities as at March 31, 2021 and March 31, 2020 measured at fair value:

Financial Asset	Level 1	Level 2	Level 3
At fair value through other comprehensive income as at March 31, 2021			
- Investments	-	-	10.50
At FVTPL as at March 31, 2021			
- Derivative financial instruments	-	127.60	-
At fair value through other comprehensive income as at March 31, 2020			
- Investments	-	-	10.50
At FVTPL as at March 31, 2020			
- Derivative financial instruments	-	25.60	-
Financial Liabilities			
At FVTPL as at March 31, 2021			
- Derivative financial instrument	-	-	-
At FVTPL as at March 31, 2020			
- Derivative financial instrument	-	763.94	-

(All amounts in INR Lakhs, unless otherwise stated)

38. Financial instruments (Contd.)

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 fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. These derivatives are estimated by using the pricing models, where the inputs to those models are based on readily observable market parameters, contractual terms, period to maturity, maturity parameters and foreign exchange rates. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from market rates. The said valuation has been carried out by the counter party with whom the contract has been entered with and management has evaluated the credit and non-performance risks associated with the counterparties and believes them to be insignificant and not requiring any credit adjustments.

ii) The Group has determined the carrying value of the non-current investment as its fair value in the absence of any available observable inputs.

iii) There has been no transfer between Level 1, Level 2 and Level 3 during the above periods.

39. Financial Risk Management Objectives and Policies:

The Group's principal financial liabilities comprises borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Group. The Group's principal financial assets include trade and other receivables, loans and cash and cash equivalents that derive directly from its operations.

The Group's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Group seeks to minimize potential adverse effects of these risks on its financial performance and capital. Financial risk activities are identified, measured and managed in accordance with the Group's policies and risk objectives which are summarized below and are reviewed by the senior management.

(A) Credit risk

Credit risk refers to risk of financial loss to the Group if customers or counterparties fail to meet their contractual obligations. The Group is exposed to credit risk from its operating activities (mainly trade receivables).

(i) Credit risk management

(a) Trade Receivables

Customer credit risk is managed by the respective departments subject to the Group's established policies, procedures and controls relating to customer credit risk management. Customer credit risk is managed by the Group through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit rating, regulatory changes, industry outlook etc. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or reversal thereof.

(b) Deposits and financial assets (Other than trade receivables):

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy.

(B) Liquidity Risk

Liquidity risk implies that the Group may not be able to meet its obligations associated with its financial liabilities. The Group manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner and in the currency required at optimal costs. The Management regularly monitors rolling forecasts of the Group's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements.

Additionally, the Group has committed fund and non-fund based credit lines from banks which may be drawn anytime based on Group's fund requirements. The Group endeavours to maintain a cautious liquidity strategy with positive cash balance and undrawn bank lines throughout the year.

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Contractual maturity of financial liabilities	Upto 1 year	1 Year to 3 year	3 year to 5 year	More than 5 years	**Total**
March 31, 2021					
Long Term Borrowings (including current maturities of long term borrowings) **	17,030.02	40,449.24	31,187.48	10,544.28	99,211.04
Current Borrowings	46,525.90	-	-	-	46,525.90
Lease liabilities	49.21	98.04	170.98	100.05	418.28
Trade payables	43,056.38	-	-	-	43,056.38
Other financial liabilities (excluding current maturities of long term borrowings and Forward contract)	14,608.28	-	-	-	14,608.28
	1,21,269.81	**40,547.29**	**31,358.46**	**10,644.32**	**2,03,819.89**
March 31, 2020					
Long Term Borrowings (including current maturities of long term borrowings) **	19,498.24	26,377.83	21,683.95	12,289.14	79,849.16
Current Borrowings	40,176.83	-	-	-	40,176.83
Lease liabilities	62.80	110.52	64.85	195.45	433.62
Trade payables	21,396.23	-	-	-	21,396.23
Other financial liabilities (excluding current maturities of long (term borrowings and Forward contract	4,365.91	-	-	-	4,365.91
	85,500.00	**26,488.35**	**21,748.80**	**12,484.59**	**1,46,221.74**

** The above maturity is based on the total principal outstanding gross of the processing fees and charges of ₹ 864.61 lakhs (March 31, 2021: ₹ 615.90 lakhs)

(C) Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely foreign currency risk, interest rate risk and price risk (for commodities) . The above risks may affect the Group's income and expense and profit. The Group's exposure to and management of these risks are explained below:

(i) Foreign currency risk

The Group operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Group's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies. Majority of the Group's foreign currency transactions are in USD while the rest are in EURO, JPY and GBP. The major imports are only in respect of capital goods. The risk is measured through forecast of highly probable foreign currency cash flows.

The risk of fluctuations in foreign currency exchange rates on its financial liabilities including trade and other payables etc, which are mainly in US Dollars , are mitigated through the natural hedge, as Group's export sales are predominantly in US dollars and such economic exposure through trade and other receivables in US dollars provide natural alignment. Hence, a reasonable variation in the Foreign exchange rate would not have much impact on the profit/ equity of the Group.

a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed INR in lakhs, are as follows:

	March 31, 2021				March 31, 2020			
	INR equivalent of				INR equivalent of			
	USD	**EUR**	**JPY**	**GBP**	USD	EUR	JPY	GBP
Financial assets								
Trade receivables	27,326.32	4,445.17		615.12	20,190.39	2,033.52	-	139.40
Other Assets	-	-	-	-	80.89	276.99	247.83	-
Foreign exchange forward contracts								
Sale foreign currency	(13,108.62)	(5,530.88)	-	-	(21,226.16)	(1,865.14)	-	-
Net exposure to foreign currency risk (assets)	**14,217.70**	**(1,085.71)**	**-**	**615.12**	**(954.88)**	**445.37**	**247.83**	**139.40**
Financial liabilities								
Foreign currency loan	4,840.61	8,693.78	445.28	-	7,734.69	10,926.70	113.82	470.04
Trade payables and Capital Goods	156.11	318.16	-	-	446.75	20.28	-	-
Net exposure to foreign currency risk (liabilities)	**4,996.72**	**9,011.94**	**445.28**	**-**	**8,181.44**	**10,946.98**	**113.82**	**470.04**
Net exposure to foreign currency risk (Assets-Liabilities)	**9,220.98**	**(10,097.65)**	**(445.28)**	**615.12**	**(9,136.32)**	**(10,501.61)**	**134.01**	**(330.64)**

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

(b) Foreign currency Rate Sensitivity

A fluctuation in the exchange rates of 1% with other conditions remaining unchanged would have the following effect on Group's profit or loss before taxes as at March 31, 2021 and March 31, 2020:

	Impact on profit before tax [Increase / (Decrease)]	
	FY 2020-21	FY 2019-20
USD sensitivity		
INR/USD- Increase by 1%*	92.21	(91.36)
INR/USD- Decrease by 1%*	(92.21)	91.36
EUR sensitivity		
INR/EUR- Increase by 1%	(100.98)	(105.02)
INR/EUR- Decrease by 1%	100.98	105.02
JPY sensitivity		
INR/JPY- Increase by 1%	(4.45)	1.34
INR/JPY- Decrease by 1%	4.45	(1.34)
GBP sensitivity		
INR/GBP- Increase by 1%	6.15	(3.31)
INR/GBP- Decrease by 1%	(6.15)	3.31

* Holding all other variable constant

(ii) Interest rate risk

The Group is exposed to interest rate risk on short-term and long-term floating rate instruments. The borrowings of the Group are principally denominated in Indian Rupees , Euro and US dollars with a mix of fixed and floating rates of interest. The Group has a policy of selectively using interest rate swaps and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a regular basis. The majority of the borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

(a) Interest Rate Risk Exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

	March 31, 2021	March 31, 2020
Variable rate financial liabilities	1,10,018.62	95,155.94

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax [Increase / (Decrease)]	
	FY 2020-21	FY 2019-20
Interest Rates - Increase by 50 basis points (50 bps) *	(550.09)	(475.78)
Interest Rates - Decrease by 50 basis points (50 bps) *	550.09	475.78

* Holding all other variable constant

(iii) Commodity Price Risk

Commodity price risk results from changes in market prices for raw materials, mainly steel in the form of rounds and billets which forms the largest portion of Group's cost of sales.

The principal raw materials for the Group products are alloy and carbon steel which are purchased by the Group from the approved list of suppliers. Most of the input materials are procured from domestic vendors. Raw material procurement is subject to price negotiation. Further, a significant portion of the Group's volume is sold based on price adjustment mechanism which allows for recovery of the changed raw material cost from its customers.

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

40. Capital management

For the purposes of the Group's capital management, capital includes issued capital, free reserves and borrowed capital less reported cash and cash equivalents. The primary objective of the Group's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value. The Group's policy is to borrow primarily through banks to maintain sufficient liquidity. The Group also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations are utilised for operations of the Group. The Group monitors capital on the basis of cost of capital.

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings (including interest accrued thereon)	1,23,510.88	99,418.53
Less: Cash and cash equivalents (Note no. 15)	(6,734.54)	(264.62)
Net debt (A)	**1,16,776.34**	**99,153.90**
Equity Share Capital	3,193.27	3,260.77
Other equity (excludings ESOP and Capital Reserve)	80,801.36	80,165.30
Total equity (B)	**83,994.63**	**83,426.06**
Total capital (A+B))	**2,00,770.97**	**1,82,579.97**
Debt- Equity ratio (A / B)	**1.39**	**1.19**

No changes were made in the objectives policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

41. Employee Benefits

a) Gratuity plan

Funded scheme

The Group has a defined benefit gratuity plan for its employees ("Gratuity Scheme"). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with an insurance Group.

As per Ind AS "Employee Benefits" (Ind AS-19), the disclosures of Employee Benefits as defined in the Standard are given below:

Statement of Profit and Loss :

Net employee benefits expense (recognised in Employee Cost)

i. Expenses Recognised in the Statement of Profit & Loss

	Gratuity (Funded)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	148.95	87.13
Benefit paid directly by the Company	-	79.59
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	16.97	19.66
Components of defined benefit cost recognised in Statement of Profit & Loss	**165.92**	**186.38**
Actuarial (gains) / losses arising from:		
Change in demographic assumptions	(4.07)	(1.16)
Change in financial assumptions	32.36	140.48
Experience variance (i.e. Actual experience vs assumptions)	(92.35)	(84.86)
Return on plan assets, excluding amount recognised in net interest expense	10.94	(4.33)
Components of defined benefit costs recognised in other comprehensive income	**(53.12)**	**50.13**
Total Expense	**112.81**	**236.51**

Notes to the Consolidated Ind AS financial statements
as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

41. Employee Benefits (Contd.)

ii. Bifurcation of Net Liability

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Present value of Defined Benefits Obligation	1,505.01	1,333.99
Fair value of plan assets	1,375.50	1,124.72
Net liability	129.51	209.27
Current liability	129.51	209.27
Non-Current liability	-	-
Net liability	**129.51**	**209.27**

iii. Changes in the present value of obligation:

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Present value of obligation as at the beginning	1,333.99	1,113.99
Current service cost	148.95	87.13
Interest expense or cost	94.44	85.99
Re-measurement (gain) / loss arising from:		
Change in demographic assumptions	(4.07)	(1.16)
Change in financial assumptions	32.36	140.48
Experience variance (i.e. Actual experience vs assumptions)	(92.35)	(84.86)
Benefits paid	(8.31)	(7.58)
Present value of obligation as at the end	**1,505.01**	**1,333.99**

iv. Changes in the Fair Value of Plan Assets during the year:

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Fair Value of Plan Assets as at the beginning	1,124.72	859.25
Investment Income	77.47	66.33
Employer's Contribution	184.25	197.92
Benefit paid	-	(3.11)
Return on plan assets , excluding amount recognised in net interest expense	(10.94)	4.33
Fair Value of Plan Assets as at the end of the year	**1,375.50**	**1,124.72**

v. Major Categories of Plan Assets as a percentage of total plan assets

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Funds managed by Insurer	100%	100%

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

vi. Actuarial Assumptions

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.80%	6.85%
Salary growth rate (per annum)	6% for the first two years, 5% for the next three years and 4% thereafter	6% for the first two years, 5% for the next three years and 4% thereafter
Mortality Rate (as % of IALM 2006-08)	100%	100%
Normal retainment date	60 years	60 years
Withdrawal rate (per annum)	2%	2%

vii. Sensitivity Analysis

	Gratuity (Funded)			
	As at March 31, 2021		As at March 31, 2020	
Assumption	**1% increase**	**1% decrease**	1% increase	1% decrease
Discount Rate	1,394.23	1,733.52	1,239.71	1,545.46
Salary Growth Rate	1,735.88	1,389.81	1,547.69	1,235.67
Attrition Rate	1,589.63	1,504.35	1,417.01	1,337.08
Mortality Rate	1,551.30	1,548.28	1,381.10	1,378.32

viii. During the year 2020-2021, the Group expects to contribute ₹ 259.03 lakhs (March 31, 2020: ₹ 383.43 lakhs) to gratuity scheme.

ix. Maturity Profile of Defined Benefit Obligation:

	Gratuity (Funded)	
	As at March 31, 2021	As at March 31, 2020
1 year	108.38	112.03
2 to 5 years	387.22	296.83
6 to 10 years	605.64	605.41
More than 10 years	2637.33	2473.20

b) Provident Fund:

In accordance with the law, all employees of the Group are entitled to receive benefits under the provident fund. The Group has a defined contribution plan. Under the defined contribution plan, provident fund is contributed to the Government administered provident fund. The Group has no further contractual nor any constructive obligation, other than the contribution payable to the provident fund. The expense recognised during the period towards defined contribution plan is ₹ 489.18 Lakhs (March 31, 2020: ₹ 527.29 Lakhs).

42. Distribution made and proposed to be made

	For the year ended March 31, 2021	For the year ended March 31, 2020
Dividend on equity shares declared and paid		
For the year ended on March 31, 2020 : ₹ Nil per share (March 31, 2019 : ₹ 1.50 per share)	-	489.79
Dividend distribution tax (DDT) on final dividend	-	100.70

Proposed dividends on equity shares are subject to approval at the annual general meeting and hence are not recognised as a liability (including DDT thereon).

The Board of Directors of the Parent Company at its meeting held on May 15, 2021 has not recommended any dividend for the financial year 2020-2021.

43. The Parent Company has been granted certificate of registration for its in- house research and development unit of its plant located at village Baliguma, P. O. Kolabera, P.S. Saraikela, Dist Saraikela Kharswan, Jamshedpur, Jharkhand, by the Ministry of Science and Technology, Government of India. The below mentioned expenditure are related to research and development facilities of the Parent Company.

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Expenditure on research and development		
1. Revenue Expenditure		
Raw materials	31.38	17.20
Salary paid to employees	466.88	563.57
Power & Fuel (Electricity charges)	3.82	3.33
Miscellaneous expenses	32.95	32.26
Total	**535.03**	**616.36**
ii) Capital expenditure	230.34	47.83
Total research and development expenditure	**765.37**	**664.19**

44. The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the period were also impacted due to COVID-19. The Group has taken into account the possible impact of COVID-19 in preparation of the audited consolidated financial statement, including its assessment of recoverability of the carrying value of property, plant and equipment, intangible assets and deferred tax assets (including MAT credit) based on internal and external information upto the date of approval of these audited consolidated financial statement and current indicators of future economic conditions. Further, management has assessed its liquidity position as on March 31, 2021 and does not anticipate any challenge in the Group's ability to continue as a going concern. The impact of the pandemic may be different from that as estimated as at the date of approval of these financial statements and the management continues to closely monitor any material changes to future economic conditions.

45. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

a) Information as at and for the year ended March 31, 2021

Name of the Enterprise	Net Assets i.e. total assets minus total liabilites		Share in profit or loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Ramkrishna Forgings Limited	100.84	88,996.77	135.26	2,795.53	97.67	33.48	134.64	2,829.01
Subsidiary								
Globe All India Services Limited. (Formerly known as Globe Forex & Travels Ltd.)	0.85	749.84	(31.60)	(653.16)	3.50	1.20	(31.03)	(651.96)
Ramkrishna Aeronautics Private Limited	0.00	3.24	(0.05)	(1.09)	-	-	(0.05)	(1.09)
Ramkrishna Forgings LLC, USA	0.03	22.75	0.76	15.68	(1.16)	(0.40)	0.73	15.28
Total	**101.72**	**89,772.62**	**104.36**	**2,156.96**	**100.00**	**34.28**	**104.29**	**2,191.25**
Consolidation Adjustment	(1.72)	(1,514.12)	(4.36)	(90.13)	-	-	(4.29)	(90.14)
Ramkrishna Forgings Limited Consolidated Ind AS Financial Statements	**100.00**	**88,258.50**	**100.00**	**2,066.83**	**100.00**	**34.28**	**100.00**	**2,101.11**

Notes to the Consolidated Ind AS financial statements

as at and for the year ended March 31, 2021

(All amounts in INR Lakhs, unless otherwise stated)

b) Information as at and for the year ended March 31, 2020

Name of the Enterprise	Net Assets i.e. total assets minus total liabilites		Share in profit or loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Ramkrishna Forgings Limited	100.05	87,642.72	99.16	961.45	81.11	(26.95)	99.81	934.50
Subsidiary								
Globe All India Services Limited. (Formerly known as Globe Forex & Travels Ltd.)	1.60	1,401.80	4.34	42.03	18.89	(6.28)	3.82	35.75
Ramkrishna Aeronautics Private Limited	0.01	4.54	(0.18)	(1.75)	-	-	(0.19)	(1.75)
Total	**101.65**	**89,049.06**	**103.32**	**1,001.73**	**100.00**	**(33.23)**	**103.44**	**968.50**
Consolidation Adjustment	(1.65)	(1,449.00)	(3.32)	(32.18)	-	-	(3.44)	(32.18)
Ramkrishna Forgings Limited Consolidated Ind AS Financial Statements	**100.00**	**87,600.06**	**100.00**	**969.55**	**100.00**	**(33.23)**	**100.00**	**936.32**

46. The consolidated financial statements include results of one of the subsidiaries, Ramkrishna Forgings LLC, USA which are unaudited and are not material to the management of the Parent Company.

As per our report of the even date

For and on behalf of the Board of Directors of
Ramkrishna Forgings Limited

For S. R. Batliboi & Co. LLP
ICAI Firm Registration No. 301003E/E300005
Chartered Accountants
Sd/-
Per Sanjay Kumar Agarwal
Partner
Membership No. 060352

For S K Naredi & Co.
ICAI Firm Registration No. 003333C
Chartered Accountants
Sd/-
Per Abhijit Bose
Partner
Membership No. 056109

Sd/-
Mahabir Prasad Jalan
Chairman
DIN: 00354690

Sd/-
Naresh Jalan
Managing Director
DIN: 00375462

Sd/-
Rajesh Mundhra
Company Secretary
ACS: 12991

Sd/-
Pawan Kumar Kedia
Finance Director
DIN: 00375557

Sd/-
Lalit Kumar Khetan
Executive Director & CFO
DIN: 00533671 & FCA: 056935

Place : Kolkata
Dated : May 15, 2021

Ramkrishna Forgings Limited
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