



# RAMKRISHNA FORGINGS LIMITED

Date: 26<sup>th</sup> July, 2021

To The Listing Department BSE Limited PJ Towers Dalal Street Mumbai – 400 001  <b><u>BSE SCRIP CODE: 532527</u></b>	To The Listing Department National Stock Exchange of India Limited “Exchange Plaza” C-1, Block G Bandra- Kurla Complex, Bandra (E) Mumbai- 400051  <b><u>NSE SYMBOL: RKFORGE</u></b>
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Dear Sir / Madam,

**Sub: Announcement under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Press Release**

Please find enclosed herewith our Press Release titled “Q1 FY22 Results: Strong performance” which we shall be releasing after sending this letter to you.

The press release is self – explanatory.

Thanking You.

Yours truly,  
For Ramkrishna Forgings Limited

Rajesh Mundhra  
Company Secretary & Compliance Officer



Encl. As above

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CIN NO. :L74210WB1981PLC034281



## Press Release

### Q1 FY22 Results: Strong performance

- ✓ Revenue of Rs. 412.86 Crore, YoY growth of 256.4%.
- ✓ EBITDA of Rs. 95.32 Crore as compared to loss of Rs. 1.49 crores on YoY basis.
- ✓ Highest EBITDA margin of 23.09%.
- ✓ PAT of Rs. 24.61 Crore as compared to loss of Rs. 26.47 crores on YoY basis.
- ✓ Achieved capacity utilization of 80 % on expanded installed capacity.
- ✓ Declared Interim dividend of Rs. 0.50 per share.

**Kolkata, July 26, 2021:** Ramkrishna Forgings Limited (RKFL) is one of India's leading forging companies has reported its financial results for the quarter ended June 30th, 2021.

### Standalone Financial Highlights

Particulars (in Rs. Crs.)	Q1FY22	Q1FY21	YoY	FY21
Revenue <sup>#</sup>	412.86	<b>115.85</b>	256.4%	1288.38
EBITDA <sup>#</sup>	95.32	<b>-1.49</b>	-	229.93
EBITDA (%)	23.09%	<b>-1.29%</b>	-	17.85%
PAT	24.61	<b>-26.47</b>	-	27.96
PAT (%)	5.96%	<b>-22.85%</b>	-	2.17%

# Excluding Other Income

### Operational highlights for Q1FY22

- Received PPAP clearance (Parts Production Approval Process) and confirmation to launch order worth EUR 15 million from a European OEM. The order is to be implemented over the period of 3 years distributed equally.
- Credit ratings upgrades:
  - ICRA Limited: ICRA A- / ICRA A2+; Outlook revised to Positive from Stable
  - India Ratings & Research assigns IND A & IND A1; Stable Outlook
- Capacity Utilization
  - Post commissioning of Hollow spindle line in November 2020 & 7000-ton production press lines in April 2021, total installed capacity reached 1,77,200 tonnes
  - Overall capacity utilization improved to 80.00% in Q1 FY22 as compared to 21.09% in Q1 FY21
  - Ring Rolling capacity utilization improved to 125.47% in Q1 FY22 as compared to 26.65% in Q1 FY21
  - Forging capacity utilization improved to 104.67% in Q1 FY22 as compared to 27.67% in Q1 FY21
  - Press capacity utilization improved to 59.22% in Q1 FY22 as compared to 15.65% in Q1 FY21
- Domestic Markets
  - Sales volume of 11,684 MT, a YoY growth of 243.6 % in Q1 FY22, as compared to 3,400 MT in Q1 FY21
  - Revenue growth of 305.4% in Q1 FY22 to Rs. 190.11 Crore as compared to Q1 FY21
  - Realization per MT improved by 17.9% to Rs. 1,62,700 per MT in Q1 FY22 as compared to Rs. 1,37,945 per MT in Q1 FY21

- Exports Market
  - Achieved sales volume of 10,221 MT, a YoY growth of 216.0 % in Q1 FY22, as compared to 3,234 MT in Q1 FY21
  - Revenue growth of 229.9% in Q1 FY22 to Rs. 218.23 Crore as compared to Q1 FY21
  - Realization per MT improved by 4.4% to Rs. 2,13,507 per MT in Q1 FY22 as compared to Rs. 2,04,554 per MT in Q1 FY21
  - North America contributed 70.57% in Q1 FY22 as compared to 74.87% in Q1 FY21 whereas Europe contributed 26.86% in Q1 FY22 as compared to 19.66% in Q1 FY21. Other Markets contributed 2.57% in Q1 FY22 as compared to 5.46% in Q1 FY21.

**Commenting on the results Mr. Mahabir Prasad Jalan, Chairman, Ramkrishna Forgings Limited said:**

*“The Company has achieved a turnover of Rs 412.86 Crores in Q1FY22 in comparison to Rs 115.85 Crores in Q1FY21 registering an increase of 256.4% YOY. The Company has achieved an Export turnover of Rs 218.23 Crores in Q1FY22 in in comparison to Rs 66.15 Crores, registering a growth of 229.9%. The EBDITA (excl. other income) is also Rs 95.32 Crores in Q1 FY22 in comparison to Rs -1.49 Crores in Q1FY21. The PAT has also increased to Rs 24.61 Crores in Q1 FY22 from Rs -26.47 Crores in Q1FY21.*

*The Company has achieved highest EBITDA margin of 23.09% during this quarter and expects to maintain similar margins in upcoming quarters.*

*With the commissioning of Hollow Spindle Line, 7000T Press Line along with Fabrication facilities for coach shells for LHB coaches till Q1 FY22 and further with commissioning of additional press line of 2000T (warm forging) which will enhance the forging capacity by 9900 Tons in Q2 FY22. With this addition the total capacity will be 1,87,100 tons per annum and will mark an end to our current capex cycle. The above will lead to savings in raw material consumption due to better input output ratio, thereby adding improvement in profitability .*

*With the above facility the Company will improve further its presence to customers in terms of content per vehicle, new product developments and improve upon its ability to develop further new products across all customers and all geography.”*

**Adding further on the results Mr. Naresh Jalan, Managing Director said:**

*“Our performance has been in line with our expectations given the overall impact of 2nd wave of COVID-19 and resultant restrictions. However, in Domestic Commercial Vehicle (CV) market our performance was sub optimal due to overall low demand. From 3<sup>rd</sup> week of June, we see domestic market stabilizing and improvement in utilization of fleet owners and improvement in freight rates.*

*We feel there should be considerable pick up in Commercial Vehicle (CV) demand from Q2 & followed by festive season demand in Q3.*

*The recent new order wins shows that Company has been able to create significant in roads in European CV market, strengthening Company’s exports orderbook further.*

*We have also made significant foray in roads in Mining & Excavator segments in domestic market.*

*In view of above, we are very confident of strong performance in upcoming quarters”.*

**About Ramkrishna Forgings Limited**

Ramkrishna Forgings was Incorporated in 1981 with the objective to manufacture forged products. The Annualized installed capacity after commissioning of Hollow Spindle Line and new 7000 Ton Press

Line is 177,200 MT. With headquarters at Kolkata, the company has state-of-the-art manufacturing facilities at Jamshedpur and Howrah along with offices at Detroit in USA and Toluca in Mexico besides having warehousing facilities at Hagerstown, Louisville, Detroit in USA and Toluca and Monterrey in Mexico. Over the years, the company increased its forging and die making capacities and added machining and heat treatment facilities, including isothermal annealing, which enabled it to undertake manufacturing of components for OEMs and Tier 1 companies, The Company is certified in terms of TS 16949, OSHAS 18001 and ISO 14001 and is a manufacturer of supplier of open and closed die forgings of carbon and alloy steel, micro alloy steel and stainless steel forgings which can be supplied in As Forged + Heat Treated + Machined and Fully assembled condition as per the customer's requirement.

The Company is suppliers to various sectors like Automotive, Railways, Farm Equipment, Bearings, Oil & Gas, Power and Construction, Earth Moving & Mining, both in India & overseas markets. The Company is a critical safety item supplier for Screw Coupling, Bolster suspension, Side frame keys and Draw Gear Assembly for Railway Coaches and wagon. It is a preferred supplier to OEMs like TATA Motors, Ashok Leyland, VE Commercial and Daimler in India and to Volvo, Mack Trucks, Iveco, Ford in the overseas markets. It supplies globally to Tier 1 axle manufacturers like Dana, Sisamex, Meritor and American Axles.

### Safe Harbour

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

**For further information, please contact:**

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