

RAMKRISHNA FORGINGS LIMITED

Date: 18th January 2022

The Listing Department
Bombay Stock Exchange
PJ Towers
Dalal Street
Mumbai – 400 001

The Listing Department
National Stock Exchange of India Limited
“Exchange Plaza” C-1, Block G
Bandra- Kurla Complex, Bandra (E)
Mumbai- 400051

BSE SCRIP CODE: 532527

NSE SYMBOL: RKFORGE

Dear Sir / Madam,

Sub: Investor Presentation for the quarter and nine months ended 31st December 2021

Please find enclosed the Investor Presentation on the financial results of the Company for the quarter and nine months ended 31st December 2021.

Request to kindly take the same into record.

Thanking You,

Yours truly,
For Ramkrishna Forgings Limited


Rajesh Mundhra
Company Secretary



REGISTERED & CORPORATE OFFICE

23 CIRCUS AVENUE, KOLKATA 700017, WEST BENGAL, INDIA

PHONE : (+91 33)4082 0900 / 7122 0900, FAX : (+91 33)4082 0998 / 7122 0998, EMAIL : info@ramkrishnaforgings.com, WEB : www.ramkrishnaforgings.com

CIN NO. : L74210WB1981PLC034281



Ramkrishna Forgings Limited

Result Update Presentation – Q3 & 9M FY22

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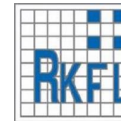
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***Standalone Quarterly Highlights
– Q3 FY22***

Financial Results at Glance



187,100 T

Installed Capacity

29,520 T

Sales Volume (Q3FY22)
16.16 % YoY increase



Rs. 60,605.44 Lakhs

Revenue from Operations
(Q3FY22)
50.70 % YoY increase



Rs. 14,020.84 Lakhs

EBITDA (excl. other Income)
(Q3FY22)
79.36 % YoY increase



23.13%

EBITDA Margin (excl. other
Income) (Q3FY22)
369 bps YoY increase



Rs. 4,512.42 Lakhs

PAT
(Q3FY22)
170.59 % YoY increase

Commenting on the results and performance, Mr. Mahabir Prasad Jalan, Chairman said:

The Company has reported a turnover of Rs 60,605.44 Lakhs in Q3FY22 in comparison to Rs 40,217.10 Lakhs in Q3FY21 registering an increase of 50.70% YOY and Rs 160,212.56 Lakhs in 9MFY22 in comparison to Rs 77,049.10 Lakhs in 9MFY21 registering an increase of 107.94% YOY. The Company has achieved an Export turnover of Rs 25,968.58 Lakhs in Q3FY22 comparison to Rs 15,580.09 Lakhs in Q3FY21, registering a growth of 66.68% and an Export turnover of Rs 76,667.48 Lakhs in 9MFY22 comparison to Rs 33,586.14 Lakhs in 9MFY21, registering a growth of 128.27%. The EBDITA (excl. other income) is also increased to Rs 14,020.84 Lakhs in Q3FY22 in comparison to Rs 7,817.28 Lakhs in Q3FY21 and Rs. 37,470.69 Lakhs in 9MFY22 as compared to Rs. 12,225.74 Lakhs in 9MFY21. The PAT has also increased to Rs 4512.42 Lakhs in Q3FY22 from Rs 1667.60 Lakhs in Q3FY21 and to Rs. 11,984.91 Lakhs in 9MFY22 from Rs. -772.79 Lakhs in 9MFY21.

Our new Fabrication facility at Jamshedpur had been approved by one of the leading European OEMs in the Mining & Earth Moving Industry and resulted in the commencement of serial production. This facility has also enabled us to make further in-roads in the railway segment which is one of the important sectors in our diversification strategy.

We continue to look for new opportunities in both auto and non-auto industries along with focusing on increasing our export revenues which should result in sustainable improvement in profitability.

We target RKFL to be net debt free Company in next three years with further improvement in our performance in upcoming period.



Managing Director Comments



Commenting on the results and performance, Mr. Naresh Jalan, Managing Director said:

In today's global business environment, trust is more important than ever which is reflected in our strong order wins from international customers. To optimize our International presence, we have opened offices in South America, Russia, and two more in Europe in addition to offices in USA, Mexico & Turkey. This trust is also reflected in the fact that VECV at its Supplier Conference held recently recognized Ramkrishna Forgings with the prestigious "Overall Supplier Excellence for Eicher Engineering Components" award for the year 2021. This award also reflects our commitment to customer satisfaction along with a focus on quality.

Our strong performance continues on back of a pick-up in the CV industry. The improved capacity utilization resulted in better operating leverage. During the quarter we registered order wins in new geographies as well as new product categories which is a testimony to our R&D capabilities, technological prowess, and product quality.

The continued buoyancy in CV segment along with strong order wins in non-auto segment and exports markets strengthens our belief of improved growth momentum in Revenue as well as Profitability driven by strong operating leverage.

The quarter also marked our entry into the EV space with the signing of an MOU with ePropelled (USA) to jointly develop eAxle products.

During the quarter, we have engaged PwC for our ESG Roadmap integration and implementation. Our commitment to ESG will be reflected in our business practices, which will be environmentally sustainable as well as socially responsible, and will be backed up by strong corporate governance. We also started industry 4.0 and we believe that in next one year all our plants shall be industry 4.0 compliant.



Key Highlights – Q3FY22



01

Received contracts worth ~**Rs. 22,000 Lakhs** from **6 contracts** during the quarter from various geographies and business verticals. We had new business acquisition in Front Axle Beams.

02

Engaged PwC for **ESG Roadmap** integration and implementation.

03

Signed an **MOU with ePropelled (USA)** to manufacture their patented **Dynamic Torque Switching™ (eDTS)** motor technology. This technology will provide the light EV manufacturers in India with an innovative energy saving solution for the high-growth eMobility market

04

Stock split of Company's equity shares of face value of Rs. 10/- each to face value of **Rs. 2/- each**

05

Won "**Overall Supplier Excellence for Eicher Engineering Components**" award for the year 2021

06

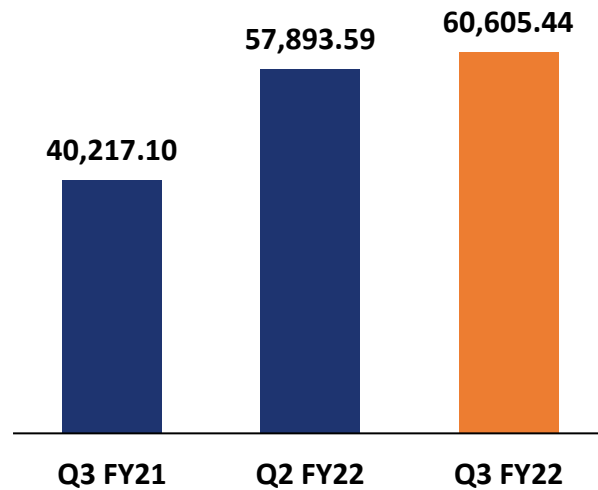
Declared Interim dividend of **Rs. 0.50 per share.**

Standalone Financial Highlights - Quarter



(In Rs. Lakhs)

Revenue from Operations



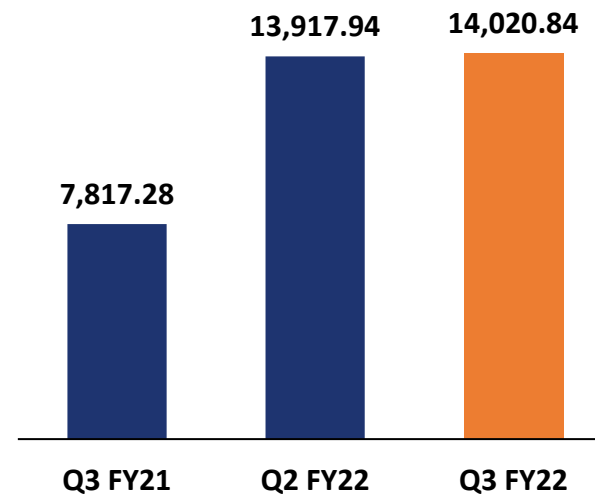
EBITDA

Margins

19.44%

24.04%

23.13%



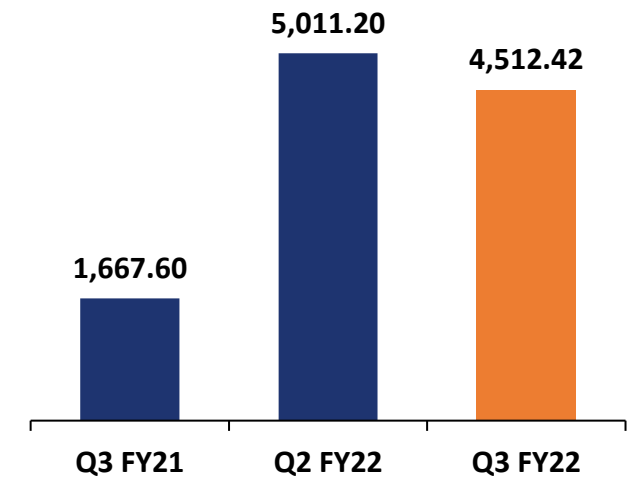
PAT

Margins

4.15%

8.66%

7.45%



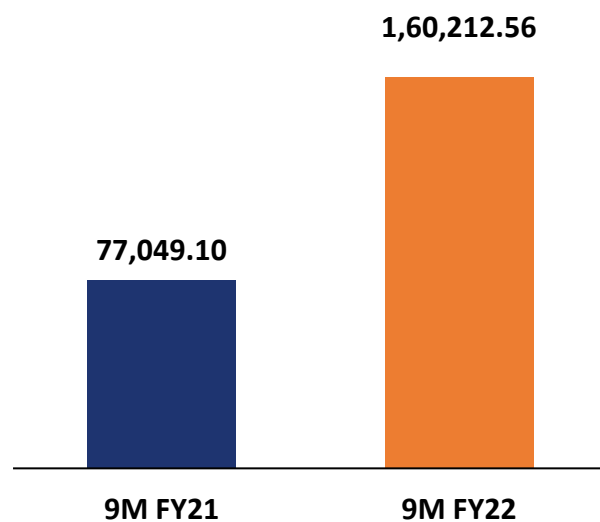
Note: 1. Revenue from operations excludes other income
2. EBITDA excludes other income
3. PAT Margin excludes other income

Standalone Financial Highlights – 9M -Yearly



(In Rs. Lakhs)

Revenue from Operations

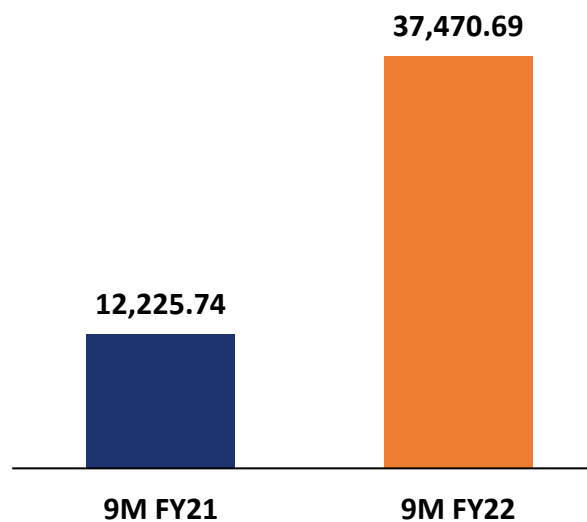


EBITDA

Margins

15.87%

23.39%

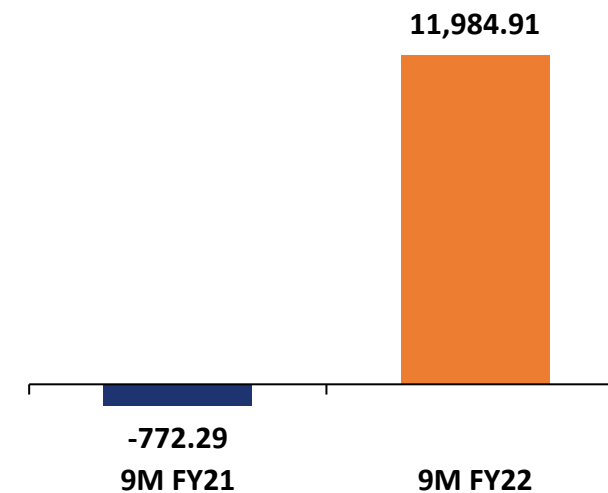


PAT

Margins

-1.00%

7.48%



Note: 1. Revenue from operations excludes other income
2. EBITDA excludes other income
3. PAT Margin excludes other income

Standalone P&L - Quarter



Profit and Loss (in Rs. Lakhs)	Q3FY22	Q3FY21	YoY	Q2FY22	QoQ	9MFY22	9MFY21	YoY
Revenue from Operations	60,605.44	40,217.10	50.70%	57,893.59	4.68%	1,60,212.56	77,049.10	107.94%
Cost of Goods Solds	28,025.42	20,368.40		26,116.60		70,351.02	38,173.56	
Gross Profit	32,580.02	19,848.70	64.14%	31,776.99	2.53%	89,861.54	38,875.54	131.15%
Gross Profit Margin	53.76%	49.35%		54.89%		56.09%	50.46%	
Employee Cost	2,895.17	2,365.52		2,759.24		8,805.35	6,657.57	
Power and Fuel	4,049.69	2,822.99		3,779.99		11,194.70	5,863.52	
Other Expenses	11,614.32	6,842.91		11,319.82		32,390.80	14,128.71	
EBITDA	14,020.84	7,817.28	79.36%	13,917.94	0.74%	37,470.69	12,225.74	206.49%
EBITDA Margin	23.13%	19.44%		24.04%		23.39%	15.87%	
Other Income	167.63	97.00		37.75		285.10	240.69	
Depreciation	4,508.85	3,262.93		3,951.87		12,344.69	7,963.84	
Finance Cost	2,627.35	2,128.59		2,061.29		6,713.94	5,847.16	
Exceptional Item Gain / (Loss)	-	-		-	-	-	-	
PBT	7,052.27	2,522.76	179.55%	7,942.53	-11.21%	18,697.16	-1,344.57	
PBT Margin	11.64%	6.27%		13.72%		11.67%	-1.75%	
Tax	2,539.85	855.16		2,931.33		6,712.25	-572.28	
Profit After Tax	4,512.42	1,667.60	170.59%	5,011.20	-9.95%	11,984.91	-772.29	
Profit After Tax Margin	7.45%	4.15%		8.66%		7.48%	-1.00%	
Other Comprehensive Income	8.37	-6.74		8.38		25.11	-20.21	
Total Comprehensive Income	4,520.79	1,660.86	172.20%	5,019.59	-9.94%	12,010.01	-792.51	

Key Operational Matrix



Total Sales Volume Break-up (In tons)

Particulars	Q3FY22	Q3FY21	YoY	Q2FY22	QoQ	9MFY22	9MFY21	YoY
Domestic Markets	19,172	17,366	10.40%	16,349	17.27%	47,206	30,386	55.35%
Export Markets	10,348	8,048	28.58%	11,930	-13.26%	32,499	17,284	88.03%
Total	29,520	25,414	16.16%	28,279	4.39%	79,705	47,670	67.20%

Sales Realisations (Rs. / ton)

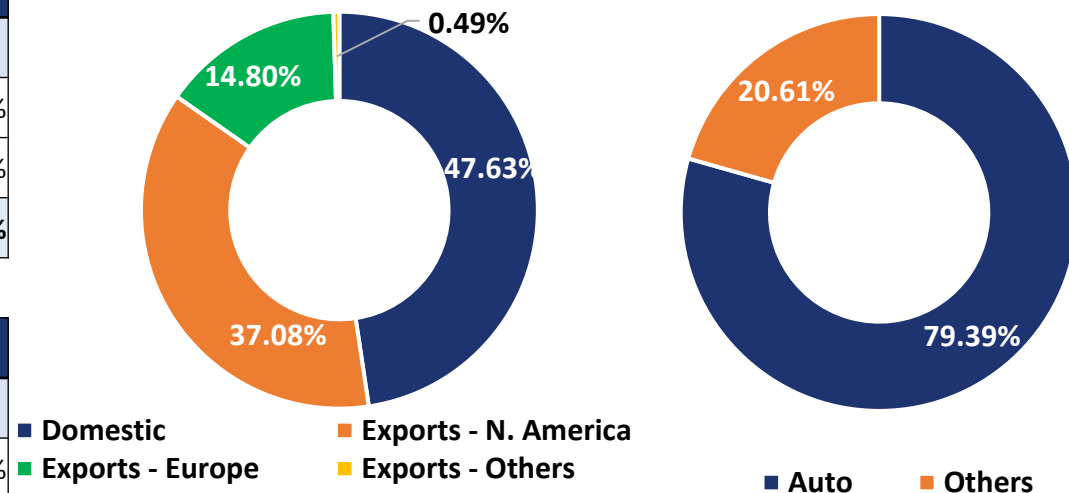
Particulars	Q3FY22	Q3FY21	YoY	Q2FY22	QoQ	9MFY22	9MFY21	YoY
Domestic Markets	1,78,757	139,922	27.75%	1,76,280	1.41%	1,74,402	139,339	25.16%
Export Markets*	2,27,049	193,590	17.28%	2,27,434	-0.17%	2,22,237	194,319	14.37%

* Ocean Freight realization not included.

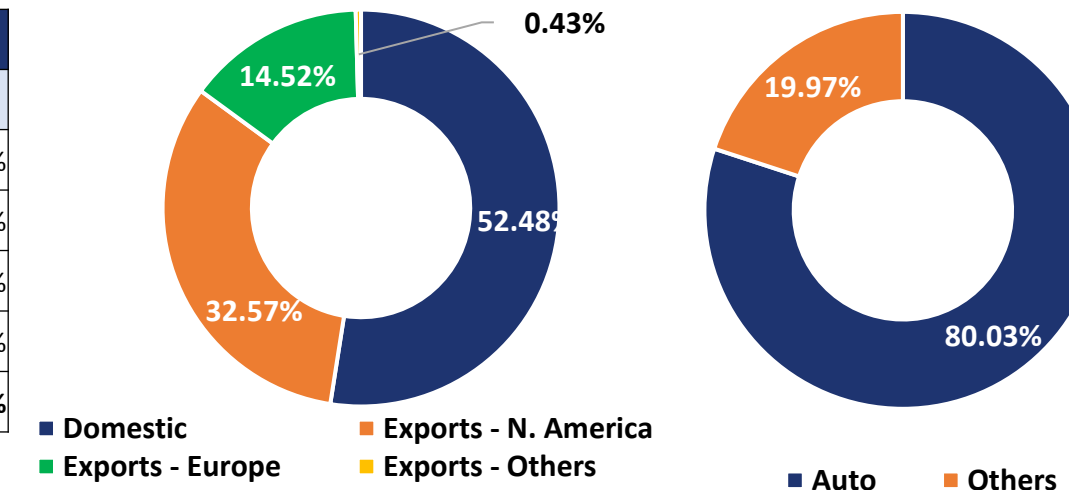
Total Revenue Breakup (Rs. Lakhs.)

Particulars	Q3FY22	Q3FY21	YoY	Q2FY22	QoQ	9MFY22	9MFY21	YoY
Domestic Markets	34,271.92	24,298.86	41.04%	28,819.81	18.92%	82,327.79	42,339.44	94.45%
Export Markets	25,968.58	15,580.09	66.68%	28,673.78	-9.43%	76,667.48	33,586.14	128.27%
Other Income	167.63	97.00	72.81%	37.75	344.05%	285.10	240.69	18.45%
Export Incentive	364.94	338.15	7.92%	400.00	-8.77%	1217.29	1123.51	8.35%
Total	60,773.07	40,314.10	50.75%	57,931.34	4.91%	160,497.66	77,289.78	107.66%

Revenue Mix – Q3FY22

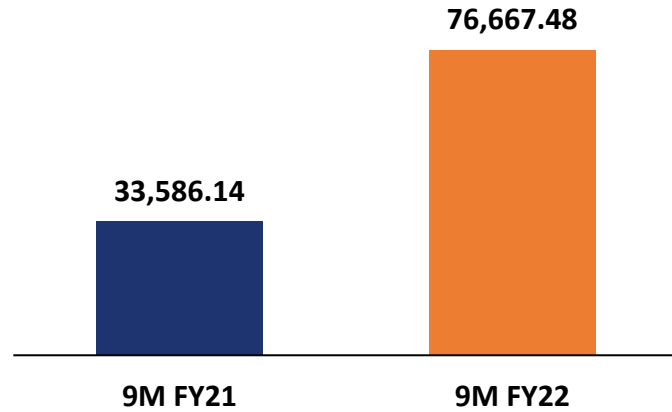
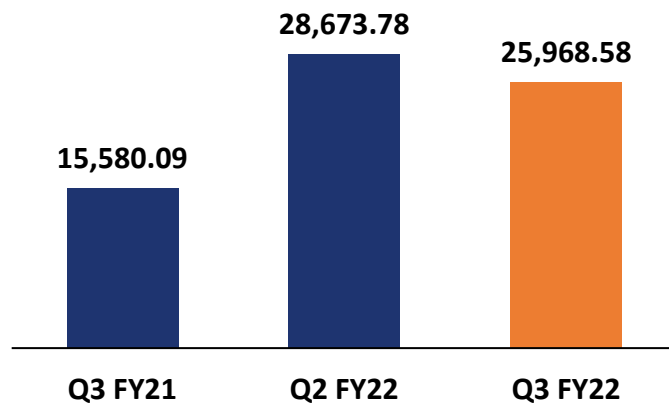


Revenue Mix – 9MFY22



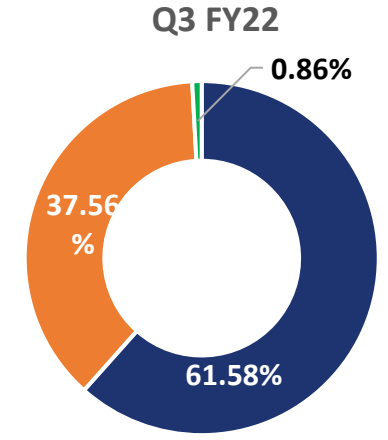
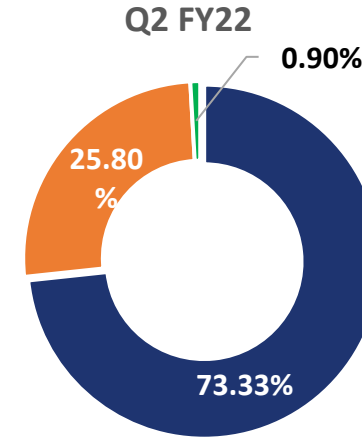
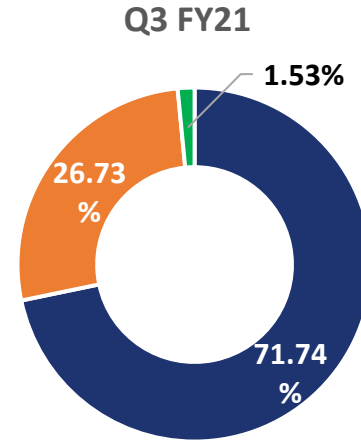
Export Revenue Break-up - Quarter

Export Revenue

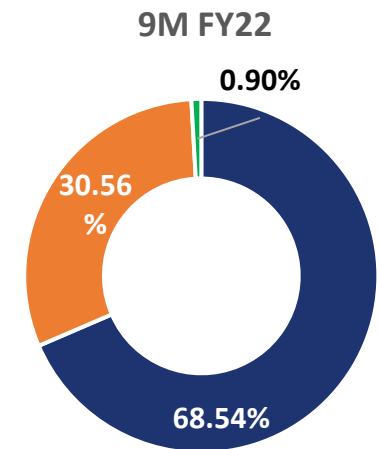
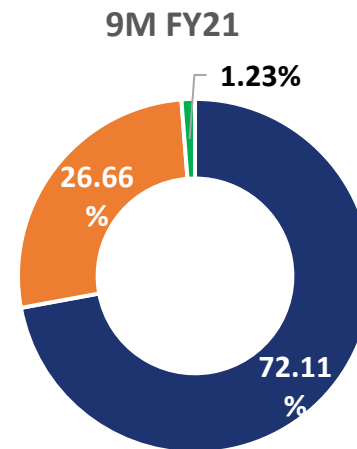


Geography wise Exports

(In Rs. Cr.)



North America Europe Others



Manufacturing Capacity and Utilization - Quarter



Particulars	Installed Capacity	Q3 FY22		Q2 FY22		Q1 FY22		Q4 FY21		Q3 FY21		Q2 FY21		Q1 FY21	
		Production (MT)	Utilization (%)	Production (MT)	Utilization (%)	Production (MT)	Utilization (%)	Production (MT)	Utilization (%)	Production (MT)	Utilization (%)	Production (MT)	Utilization (%)	Production (MT)	Utilization (%)
Ring Rolling	24,000	6,918	115.30%	6,990	116.50%	7,528	125.47%	7,345	122.42%	7,130	118.83%	4,793	79.88%	1,599	26.65%
Forgings	46,000	10,766	93.62%	11,606	100.92%	12,037	104.67%	13,276	115.44%	11,112	96.63%	7,470	64.96%	3,182	27.67%
Press*	117,100	16,473	56.27%	18,267	62.40%	15,871	59.22%	16,606	73.64%	12,845	64.23%	6,158	30.79%	3,129	15.65%
Total Capacity	1,87,100	34,157	73.02%	36,863	78.81%	35,436	79.99%	37,227	92.95%	31,087	82.90%	18,421	49.12%	7,910	21.09%

**Note: Installed capacity after commissioning of 2000 Ton warm Forging Press on September 30, 2021*



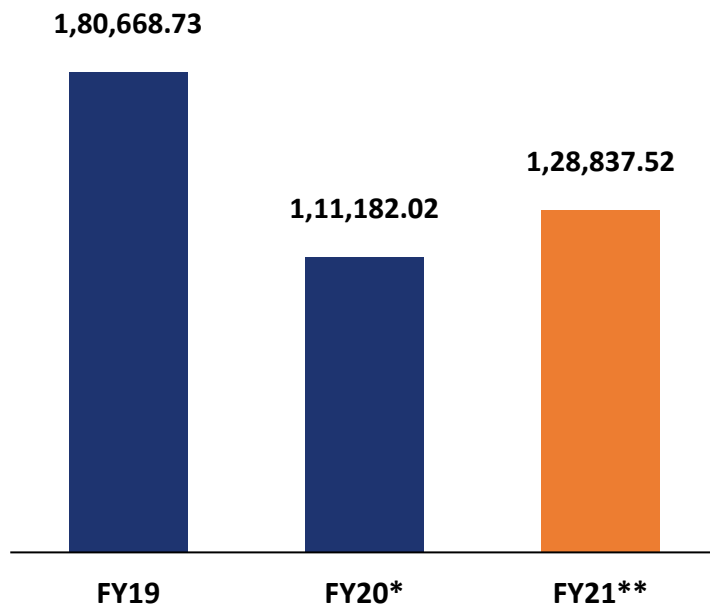
***Historical Financial Highlights -
Annual***

Standalone Historical Financial Highlights - Annual



(In Rs. Lakhs)

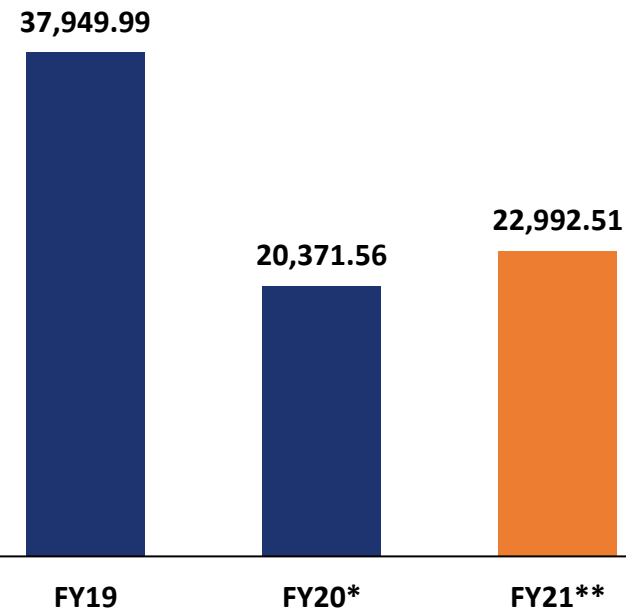
Revenue from Operations



Note: 1. Revenue from operations excludes other income
2. EBITDA excludes other income

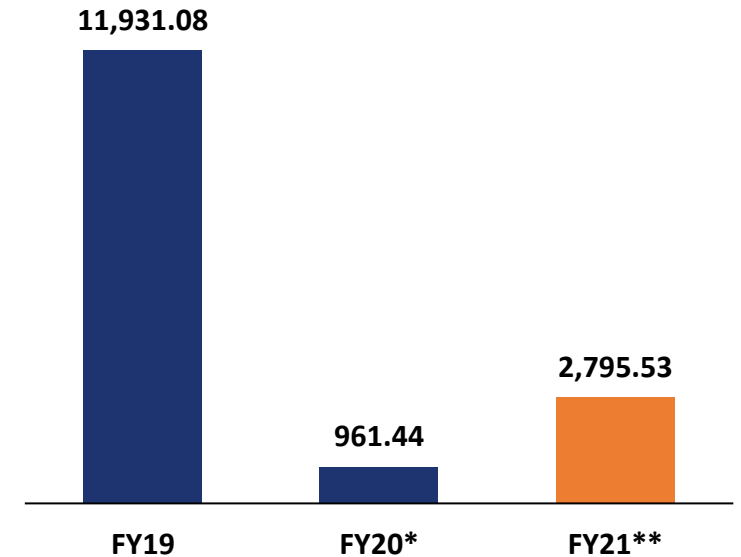
EBITDA

Margins



PAT

Margins

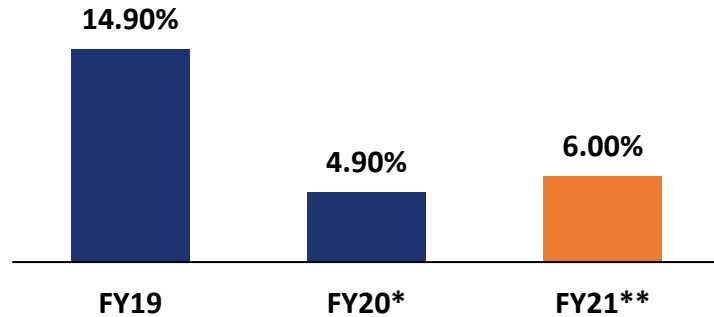


* - FY20 Performance impacted due to economic slowdown leading to sluggish demand for CVs
** - FY21 Performance impacted due to COVID-19 induced lockdown

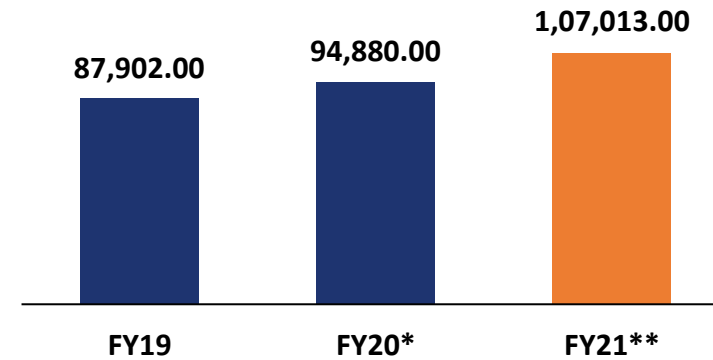
Key Ratios



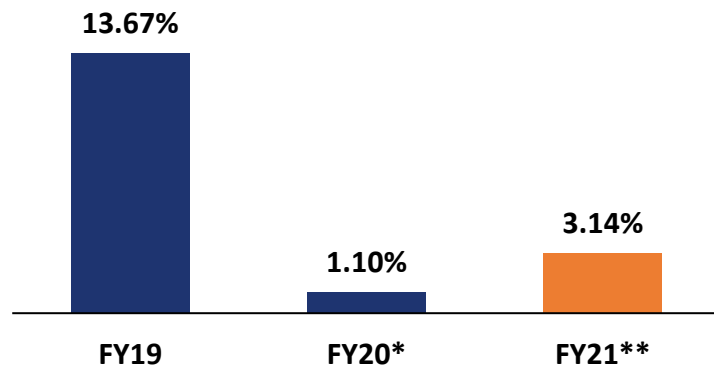
ROCE (%)



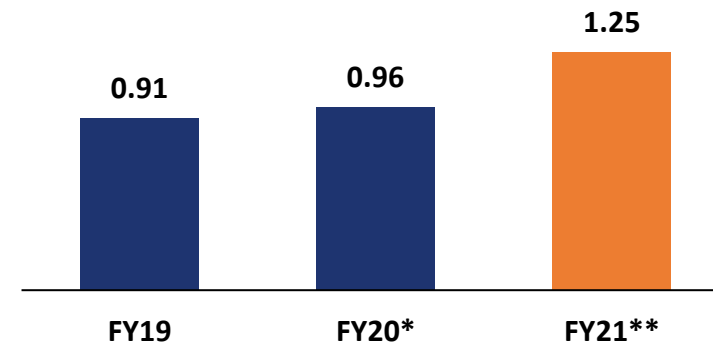
Net Borrowings (In Rs. Lakhs)



ROE (%)



Debt to Equity (x)



* - FY20 Performance impacted due to economic slowdown leading to sluggish demand for CVs
** - FY21 Performance impacted due to COVID-19 induced lockdown

Standalone P&L - Annual



Profit and Loss (in Rs. Lakhs.)	FY21**	FY20*	FY19
Revenue from Operations	1,28,837.52	1,11,182.02	1,80,668.73
Cost of Goods Sold	64,546.66	50,672.92	92,650.02
Gross Profit	64,290.86	60,509.10	88,018.71
Gross Profit Margin	49.90%	54.42%	48.72%
Employee Cost	9,037.03	9,424.07	9,682.11
Power and Fuel	9,354.37	9,718.56	14,247.64
Other Expenses	22,906.95	20,994.91	26,138.97
EBITDA	22,992.51	20,371.56	37,949.99
EBITDA Margin	17.85%	18.32%	21.01%
Other Income	461.46	601.60	298.85
Depreciation	11,628.46	12,016.49	12,083.33
Finance Cost	7,677.53	7,515.17	7,921.70
Profit before Tax	4,147.98	1,441.50	18,243.81
Profit before Tax Margin	3.22%	1.30%	10.10%
Tax	1,352.45	480.06	6,312.73
Profit After Tax	2,795.53	961.44	11,931.08
Profit After Tax Margin	2.17%	0.86%	6.60%
Other Comprehensive Income	33.48	-26.95	-84.58
Total Comprehensive Income	2,829.01	934.49	11,846.50

* - FY20 Performance impacted due to economic slowdown leading to sluggish demand for CVs
 ** - FY21 Performance impacted due to COVID-19 induced lockdown

Standalone Balance Sheet



Assets (in Rs. Lakhs)	Mar-21**	Mar-20*	Mar-19
Non - Current Assets	1,55,584.60	1,44,502.04	1,30,843.47
Property Plant & Equipment's	1,22,182.99	1,15,731.81	1,10,486.26
CWIP	27,201.80	21,643.72	12,958.51
Intangible assets	79.26	81.52	144.93
Right of use asset	1,008.90	840.78	0.00
Financial Assets			
(i) Trade receivables	0.00	371.36	0.00
(ii) Investments	1,937.79	1,930.32	1,930.32
(iii) Loans	1,387.40	1,350.11	1,250.31
(iv) Other Financial Assets	51.81	71.32	51.81
Non - Current Assets (Net)	249.58	249.58	0.00
Other Non Current Assets	1,485.07	2,231.52	4,021.33
Current Assets	1,12,338.59	73,260.85	84,065.13
Inventories	42,399.65	35,719.24	33,126.03
Financial Assets			
(i) Trade receivables	55,992.96	30,259.74	46,603.87
(ii) Cash and cash equivalents	6,658.60	226.46	193.69
(iii) Bank balances other than cash and cash equivalents	21.73	6.66	53.84
(iv) Loans	163.39	731.73	60.82
(v) Other Financial Assets	2,747.01	3,230.55	2,689.21
Current Tax Assets (Net)	14.36	14.36	23.02
Other Current Assets	4,340.89	3,072.11	1,314.65
Total Assets	2,67,923.19	2,17,762.89	2,14,908.60

Equity & Liabilities (in Rs. Lakhs)	Mar-21**	Mar-20*	Mar-19
Total Equity	88,996.77	87,642.72	87,290.18
Share Capital	3,193.27	3,260.77	3,260.68
Reserves & Surplus	85,803.50	84,381.95	84,029.50
Non-Current Liabilities	75,025.51	55,877.99	53,502.48
(i) Borrowings	66,360.47	47,903.26	45,815.70
(ii) Lease Liabilities	378.48	352.61	0.00
(iii) Other Financial Liabilities	0.00	0.00	0.00
Deferred Tax Liabilities	6,587.74	5,944.50	5,717.95
Other Non Current Liabilities	1,698.82	1,677.62	1,968.83
Current Liabilities	1,03,900.91	74,242.18	74,115.94
Financial Liabilities			
(i) Borrowings	44,902.03	36,424.99	33,206.86
(ii) Lease Liabilities	21.99	39.75	0.00
(iii) Trade Payables	42,915.75	20,692.91	26,471.74
(iv) Other Financial Liabilities	14,143.95	15,791.38	12,090.48
Other Current Liabilities	1,228.07	758.89	1,598.48
Provisions	519.50	534.26	557.83
Current tax liabilities (net)	169.62	-	190.55
Total Equity & Liabilities	2,67,923.19	2,17,762.89	2,14,908.60

* - FY20 Performance impacted due to economic slowdown leading to sluggish demand for CVs
 ** - FY21 Performance impacted due to COVID-19 induced lockdown

Standalone Cashflow Statement - Annual



Particulars (Rs. Lakhs)	FY21**	FY20*	FY19
Net Profit Before Tax	4,147.98	1,441.50	18,243.81
Adjustments for: Non -Cash Items / Other Investment or Financial Items	18,453.42	17,667.45	18,021.88
Operating profit before working capital changes	22,601.40	19,108.95	36,265.69
Changes in working capital	-9,394.23	6,677.52	-4,840.58
Cash generated from Operations	13,207.17	25,786.47	31,425.11
Direct taxes paid (net of refund)	-557.48	-670.16	-4,148.23
Net Cash from Operating Activities	12,649.69	25,116.31	27,276.88
Net Cash from Investing Activities	-22,622.06	-22,493.08	-25,384.93
Net Cash from Financing Activities	16,404.51	-2,590.47	-1,734.91
Net Decrease in Cash and Cash equivalents	6,432.14	32.77	157.04
Add: Cash & Cash equivalents at the beginning of the period	226.46	193.69	36.65
Cash & Cash equivalents at the end of the period	6,658.60	226.46	193.69

* - FY20 Performance impacted due to economic slowdown leading to sluggish demand for CVs
 ** - FY21 Performance impacted due to COVID-19 induced lockdown



Conference Call Details



Q3 FY22 Earnings Call

Scheduled on:

Tuesday, January 18, 2022 at 16:30 Hours India Time

Pre-Registration Link:



Contact Information

Company :



Ramkrishna Forgings Limited
CIN: L74210WB1981PLC034281

Mr. Lalit Kumar Khetan
Executive Director & CFO
E: lalit.khetan@ramkrishnaforgings.com

www.ramkrishnaforgings.com

Investor Relations Advisor :

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.
CIN: U74140MH2010PTC204285

Mr. Jigar Kavaiya
E: jigar.kavaiya@sgapl.net
T: +91 9920602034

www.sgapl.net

Thank You