

M M FORGINGS LTD.

'SVK Towers', A25, 8th Floor
Industrial Estate, Guindy
Chennai 600032

77TH
**ANNUAL
REPORT**

FY 2022 - 23





M M FORGINGS LIMITED
(CIN L51102TN1946PLC001473)

Registered Office: SVK Towers, 8th Floor, A25, Industrial Estate, Guindy, Chennai - 600 032

Email: corporate@mmforgings.com; Web: www.mmforgings.com

Phone: 044-7160 1000, Fax: 044-7160 1010

Notice is hereby given that the Seventy Seventh Annual General Meeting of MM Forgings Limited will be held on Friday, 11 August 2023 at 04:30 P.M. (IST), through video conference [VC] / other audio-visual means [OAVM]. The company will conduct the meeting from Registered Office i.e., 'SVK Towers', A25, Industrial Estate, Guindy, Chennai - 600032, which will be deemed to be the venue of the meeting to transact the following businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - 1.1. The audited standalone financial statements of the Company for the year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
 - 1.2. The audited consolidated financial statements of the Company for the year ended March 31, 2023, together with the Report of the Auditors thereon.
2. To appoint a director in place of Smt. Sumita Vidyashankar, (holding DIN No. 00059062) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. **Approving the Adoption of new set of Articles of Association of the Company:**

To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the Company is hereby replaced, altered, modified and revised with the new Articles of Association, and the new set of Articles of Association, (a copy of which is available for inspection at the registered office of the Company and also on the website of the Company) is hereby approved and adopted as the Articles of Association of the Company in the place and in total exclusion, substitution and supersession of the existing Articles of Association of the Company with effect from the date of this meeting.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary of the Company are hereby authorised to do all acts, deeds, things and take all such steps as may be necessary, proper expedient or incidental for the purpose of giving effect to this aforesaid resolution.”



4. **Approving the re-appointment of Shri. Vidyashankar Krishnan as Vice Chairman and Managing Director of the Company for a further period of five years commencing from 01 September 2023:**

To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and such other approvals as may be necessary, consent of the Members is hereby accorded to the re-appointment and remuneration of Shri. Vidyashankar Krishnan, (holding DIN 00081441), who is liable to retire by rotation, as Vice Chairman and Managing Director of the Company, for a period of five years with effect from 01 September 2023, on the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) including remuneration as recommended by the Nomination and Remuneration Committee and the Board of Directors (the Board) as set out in the explanatory statement of the notice and with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of re-appointment and remuneration of Shri. Vidyashankar Krishnan, in the best interests of the Company and as may be permissible at law.

RESOLVED FURTHER THAT the Board is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.”

5. **Approving the re-appointment of Shri. K. Venkatramanan as Joint Managing Director of the Company for a further period of five years commencing from 01 September 2023:**

To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and such terms and conditions including modifications as may be prescribed or imposed, if any, whilst granting such approval, consent of the Company is hereby accorded to the re-appointment and remuneration of Shri. K. Venkatramanan (holding DIN 00823317), who is liable to retire by rotation, as Joint Managing Director of the Company for a period of five years with effect from 01 September 2023, on the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) including remuneration as recommended by the Nomination and Remuneration Committee and the Board of Directors (the Board) as set out in the explanatory statement of the notice and with further liberty to the Board of Directors of the Company (hereinafter referred to as



“the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of re-appointment and remuneration of Shri. K. Venkatramanan in the best interests of the Company and as may be permissible at law.

RESOLVED FURTHER THAT the Board is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.”

6. Approving the appointment of Shri. Shankar Athreya as a Non-Executive Independent Director:

To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149 (read with Schedule IV), 150, 152, 160, 161, 164 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17, 25(2A) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members is hereby accorded for the appointment of Shri. Shankar Athreya (DIN:10153304), as a Non-Executive Independent Director of the Company, for a term of five consecutive years effective 11 August 2023, and whose office shall not be liable to retire by rotation during his tenure, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, and to receive remuneration by way of profit related commission, if any, within the permissible limit in terms of Section 197 of the Companies Act, 2013, as determined by the Board, from time to time including reimbursement of expenses and fees for participation in the meetings of the Board and / or Committees or for any other purpose whatsoever in terms of applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. Approving the appointment of Shri. Hari Sankaran as a Non-Executive Independent Director:

To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149 (read with Schedule IV), 150, 152, 160, 161, 164 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, Regulations 17, 25(2A) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members is hereby accorded for the appointment of Shri. Hari Sankaran (DIN:01734801), as a Non-Executive Independent Director of the Company, for a term of five consecutive years effective 01 April 2024, and whose office shall not be liable to retire by rotation during his tenure, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, and to receive remuneration by way of profit related commission, if any, within the permissible limit in terms of Section 197 of the Companies Act, 2013, as determined by the Board, from time to time including reimbursement of



expenses and fees for participation in the meetings of the Board and / or Committees or for any other purpose whatsoever in terms of applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. **Approval for giving loan or guarantee or providing security in connection with loan availed by any of the Company’s Subsidiary (ies) or any other person specified under Section 185 of the Companies Act, 2013:**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan in one or more tranches including any loan represented by a book debt (the “Loan”), or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture or group entity of the Company or any other person in whom any of the Directors of the Company is interested/deemed to be interested, up to an aggregate sum of ₹750 Crores (Rupees Seven Hundred and Fifty Crores only), from time to time, in their absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

RESOLVED FURTHER THAT the Board of Directors of the Company is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary, incidental and ancillary in order to give effect to this Resolution”.

9. **Ratification of Remuneration paid to the Cost Auditor:**

To consider and if thought fit, to pass, with or without modification, the following resolution as **ORDINARY RESOLUTION:**

“RESOLVED THAT, subject to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014 (including any amendment therein) the reappointment of Shri. S. Hariharan, (CP No. 20864) Cost Accountant, Tiruchirappalli, as Cost Auditor to audit the cost records maintained by the Company for the Financial Year 2023-24 on a remuneration of ₹60,000 plus out of pocket expenses of ₹15,000, totalling ₹75,000 and future remuneration as may be decided by the Board be and is hereby ratified.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD
For **MM FORGINGS LIMITED**

Place: Chennai
Date: 17 May 2023

CHANDRASEKAR S
Company Secretary
Membership No. 34736

IMPORTANT NOTES:

Instructions for Shareholders attending the AGM through VC/OAVM are as under:

1. Pursuant to General Circulars No.14/2020 dated 08 April 2022, No.17/2020 dated 13 April 2020, No.20/2020 dated 05 May 2020, No. 02/2021 dated 13 January 2021, No. 21/2021 dated 14 December 2021, No. 2/2022 dated 05 May 2022 and No. 10/2022 dated 28 December 2022 issued by the Ministry of Corporate Affairs (collectively referred to as ‘MCA Circulars’) read with SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January 2023, the Company is convening the 77th Annual General Meeting (AGM) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Hence, Shareholders can attend and participate in the AGM through VC/OAVM only.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (Listing Regulations) and MCA Circulars dated 08 April 2020, 13 April 2020, 05 May 2020, 05 May 2022 and 28 December 2022, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated 08 April 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.



6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.mmforgings.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
7. In continuation of SEBI Circular dated 05 January 2023 and Ministry's General Circular No. 10/2022, dated 28 December 2022, it has been decided to allow companies whose AGMs were due to be held in the year 2023, or become due in the year 2023, to conduct their AGMs, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2020 dated 05 May 2020.
8. **The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.**
9. Additional information pursuant to Regulation 36(3) of the Listing Regulations in respect of the Directors seeking appointment / re-appointment is appended. Further, the Company has received relevant disclosure/consent from the Director seeking appointment / re-appointment.
10. Under Section 124 of the Companies Act, 2013 and the Rules therein, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹3,41,092 on 07 July 2022 and ₹3,15,972 on 27 December 2022, pertaining to the interim dividends for the year 2015-16, to the IEPF of the Central Government. Further, during April 2023, an amount of ₹3,11,764/-, pertaining to Interim dividend – I of the year 2016-17, was transferred to the said fund. Those shareholders who have not claimed, can claim from the Government. The Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2015 to 2022, as on the date of the 76th Annual General Meeting (AGM) held on 04 July 2022 on the website of the IEPF viz., www.iepf.gov.in and on the Website of the Company, www.mmforgings.com. Members who have not encashed their dividend, are advised to write to the Company to claim their dividend.
11. Shares transferred under IEPF account of the government (taken on the basis of 2016 dividend unclaimed). Shareholders, those who have not encashed the Dividend for Seven consecutive years, their shares were transferred to IEPF account. The details are available in the Company's website: https://www.mmforgings.com/uploads/IEPF/Share_Transferred_to_IEPF.pdf
12. In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz., Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Sub-division Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. The shareholders holding shares in physical form are requested to make service request by submitting a duly filled and signed Form ISR-4, the format of which is available at Company website www.mmforgings.com under Investors/General Shareholder Information and on the website of RTA. It may also be noted that any service request can be processed only after the folio is KYC compliant. In view of the same and to eliminate all risks



associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
14. Norms for Updating KYC, Bank details and Nomination:
Pursuant to Circular dated March 16, 2023, SEBI has mandated all the listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after 01 October 2023, shall be frozen by the RTA.**

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any services, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updating the PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available in the general Shareholders Information section in the Company's website www.mmforgings.com. Members who are holding shares in physical form are requested to submit the required forms along with the supporting documents at the earliest.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

As specified in the above SEBI circular, the Company had sent letters on 25 May 2023, to the Members who holds shares in physical form, intimating them to update KYC documents. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Electronic copy of the Annual Report for 2022-23 will be sent to all members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses with the Company can get the same registered by submitting the necessary KYC forms as mentioned in the previous notes. The Notice convening the AGM and the Annual Report for FY23 have also been uploaded on the website of the Company at www.mmforgings.com and may also be accessed from the relevant section on the websites of the Stock Exchanges viz., BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com, respectively.

15. Shareholders seeking any information with regard to accounts are request to send their queries through mail, at least 5 days before the meeting so as to enable the Company to keep the information ready.



16. Details of Directors seeking appointment / re-appointment under Item no. 2, 4, 5, 6 and 7 of this Notice as required under Regulations 36(3) of Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India are provided in the Explanatory Statement of the respective agenda Item.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

1. The voting period begins on **Tuesday, 08 August 2023 at 9.00 A.M. and ends on Thursday, 10 August 2023 at 5.00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, **Friday, 04 August 2023**, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
2. Details of Scrutinizer: Shri. M. Damodaran, Practicing Company Secretary, Managing Partner of M Damodaran & Associates LLP (Membership No. 5837, C P No. 5081).
3. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
4. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of the Listing Regulations, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's /retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (ii) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasinew/home/login or visit CDSL website www.cdslindia.com and click on login icon and New System Myeasi Tab.</p> <ol style="list-style-type: none"> 1. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 2. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin</p> <p>The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>



<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login Type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.e-Voting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at e-Voting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>



Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode

Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form:**

The shareholders should log on to the e-Voting website www.e-Votingindia.com.

Click on “Shareholders” module.

Now enter your User ID

- 1.1. For CDSL: 16 digits beneficiary ID,
- 1.2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- 1.3. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

1. Next enter the Image Verification (CAPTCHA) as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.e-Votingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.

If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

2. After entering these details appropriately, click on “SUBMIT” tab.
3. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
4. For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
5. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
Choose <M M Forgings Limited>.
6. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
7. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.



8. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
9. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
10. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
11. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
12. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.e-Votingindia.com and register themselves in the “Corporates” module. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

1. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
2. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
3. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz., corporate@mmforgings.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

Instructions for Shareholders attending the AGM through VC / OAVM and e-Voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.



4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number to corporate@mmforgings.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at corporate@mmforgings.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
8. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those Shareholder whose e-mail / Mobile No. are not registered with the Company / Depositories:

1. For Physical shareholders - please provide necessary details like Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your e-mail id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013:

The following Explanatory Statement sets out all material facts relating to the Ordinary Business under Item No. 2 and the Special Businesses under Item No. 3 to 9 of the accompanying Notice dated 17 May 2023.

Item No. 2:

Appointment of Smt. Sumita Vidyashankar, who retires by rotation and being eligible, offers herself for re-appointment:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Smt. Sumita Vidyashankar, Non-Executive Director, holding DIN: 00059062, who is liable to retire by rotation in the ensuing Annual General Meeting, being eligible, offers herself for re-appointment.

The Board recommends the Resolution as set out as an Ordinary Business in Item no. 2 of the Notice for the approval of Members as an Ordinary Resolution.

Pursuant to Regulations 36(3) of Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India, the following information is furnished:

Brief resume and nature of expertise	Smt. Sumita Vidyashankar, aged 55 years, holding DIN 00059062 is a qualified Chartered Accountant. She was appointed as Non-Executive Non-Independent Director in the Company on 13 August 2021. She has vast and varied experience in the field of Finance and Accounts. Her expertise, integrity and relevant proficiency brings value addition and further strengthens the Board. She holds directorship in five other companies.
Relationship with other Directors, Manager and KMP of the Company	Smt. Sumita Vidyashankar is the wife of Shri. Vidyashankar Krishnan, Vice Chairman and Managing Director.
Other Directorships and committee Membership of listed entities	She does not hold Directorship or Member in any Committee in any of the other listed entities during the last three years.
No. of shares held in the Company	32,800 shares

Item No. 3:

Adoption of new set of Articles of Association:

The existing Articles of Association (AoA) of Company were framed at the time of formation of the Company in the year 1946, as per the provisions of the erstwhile Companies Act. The AoA have been amended from time to time depending upon the need for changes in line with the regulatory / administrative requirements.

With the enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956, have been repealed and some new provisions have been added. Several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act. In view of the same, the existing AoA of the Company need to be re-aligned as per the provisions of the new Act and felt that it is expedient to replace the existing AoA with the new AoA.



In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for adoption of new set of AoA of the Company. The draft AoA are available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11:00 AM and 1:00 PM. upto the date of this Annual General Meeting and the same is also available on the Company website www.mmforgings.com.

The Board of Directors recommends the resolution set out at Item No. 3 of the Notice for your approval. None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution.

Item No. 4:

Re-appointment of Shri. Vidyashankar Krishnan as Vice Chairman and Managing Director for a further period of five years commencing from 01 September 2023:

Shri. Vidyashankar Krishnan, aged 57 years, DIN 00081441, is the Vice Chairman and Managing Director of the Company. He was re-appointed as Vice Chairman and Managing Director by the Shareholders in their meeting held on 11 July 2018 for a period of five years effective 01 September 2018. The Current tenure of Shri. Vidyashankar Krishnan as Vice Chairman and Managing Director will get completed on 31 August 2023.

Shri. Vidyashankar Krishnan has provided dedicated and meritorious service and significant contribution to the overall growth of the Company. Considering the invaluable contribution made by Shri. Vidyashankar Krishnan towards the success and overall progress of the Company and the complexities of responsibilities handled by him during his tenure, and as recommended by the Nomination and Remuneration Committee of directors, the Board at its meeting held on 17 May 2023, approved his re-appointment as Vice Chairman and Managing Director for a further period of five years from 01 September 2023 to 31 August 2028, in accordance with the Companies Act, 2013 and the Listing Regulations on such terms and conditions of his re-appointment and remuneration as detailed below.

The said re-appointment and payment of remuneration are further subject to the approval of the shareholders of the Company through Special Resolution in terms of Sections 196, 197, 203 read with Schedule V of the Companies Act, 2013 and the Listing Regulations.

Details of remuneration payable to Shri. Vidyashankar Krishnan, Vice Chairman and Managing Director:

1. Salary:
₹15,00,000/- per month and such increments as may be determined by the Nomination and Remuneration Committee and Board, from time-to-time.
2. Commission:
Such Percentage of net profits of the Company as may be decided by the Nomination and Remuneration Committee and Board, subject to the overall limit(s) prescribed under the Companies Act, 2013.
3. PERQUISITES:
 - 3.1 Housing:
 - 3.1.1 The expenditure incurred by the Company on hiring unfurnished accommodation will be subject to a ceiling of 60% of the salary;
 - 3.1.2 The amount(s) paid by the Company on gas, electricity, water, furniture, furnishings and other utilities will be evaluated as per Income Tax Rules, 1962;
 - 3.1.3 Wherever the Company does not provide accommodation, House Rent Allowance may be paid in accordance with 3.1.1. above;
 - 3.1.4 Where accommodation in a Company owned house is provided, the Company will charge 10% of his salary by way of rent.



- 3.2 Medical Reimbursement:
Expenses incurred for self and family for all medical treatment including premium payable for medical insurance in accordance with the rules of the Company.
Explanation: "Family" means the spouse, dependent children and dependent parents of the appointee.
- 3.3 Medical / Personal Accident / Travel Insurance:
Actual premium to be paid by the Company for self & family.
- 3.4 Leave Travel Allowance (LTA): For self and family once in a year in accordance with the rules of the Company. In case of non availment of LTA, he is entitled to receive leave travel allowance as per the rules of the Company.
- 3.5 Payment of company's contributions to Provident Fund / Pension Fund / Superannuation Fund / Gratuity Fund and encashment of leave (at the end of the tenure) shall not be included in the computation of remuneration or ceiling on the perquisites.
- 3.6 Club fees:
Payment of membership fees for self and family in three clubs, including any admission / life membership fees.
- 3.7 Provision of chauffeur driven company cars.
- 3.8 Communication Facilities:
Provision of telephone / mobile phone and other suitable communication facilities to him (both in residence and office).
- 3.9 Reimbursement of expenses:
The Company will incur / reimburse all travel or other expenses incurred by him in furtherance of or in connection with performance of his duties.
- 3.10 Such other allowances, perquisites, benefits and amenities, as may be provided by the Company to other senior executives from time to time.
- 3.11 Tax on non-monetary perquisites to be paid by the Company.
- 3.12 For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same shall be evaluated at actual cost.
4. The Board of Directors are authorised to increase the salary and perquisites as above, not exceeding 15% each year.
5. Total Remuneration:
The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time-to-time under Section 197, Section 198 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.



6. Minimum Remuneration:

In the event of any loss or inadequacy of profits for any financial year, the Nomination and Remuneration Committee / Board of Directors shall approve the remuneration payable to Managing Director, during such financial year, in such manner as may be agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Managing Director, however not exceeding the maximum limits specified in this behalf under Section 197 read with Schedule V to the Companies Act, 2013, subject to the disclosures made separately in such event.

Pursuant to Regulations 36(3) of Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India, the following information is furnished:

Brief resume and nature of expertise	<p>Shri. Vidyashankar Krishnan, aged 57 years, holding DIN 00081441, is a Post Graduate in Engineering from I.I.T., Chennai, having around 33 years of experience. He has served in the Company's Board since April 1997. He was appointed as Managing Director of the Company in February 1999. He was further elevated as Vice Chairman and Managing Director of the Company effective 24 October 2012.</p> <p>He has extensive experience in forgings industry for over three decades. He has played a pivotal role towards the growth of the Company. His accomplishments include major expansion at Viralmalai plant, setting up of plant at Padappai, setting up of Wind farm and solar sites at various places. He has been instrumental in steering the Company with the broader sustainability agenda and his extraordinary efforts have witnessed key decisions with major expansions and acquisitions.</p> <p>Under his leadership, M M Forgings Limited has been accredited as "India's Most Admirable Brand 2022" under the category "Forging Excellence." The Vice Chairman and Managing Director, has been conferred as "India's Top Minds 2022" and has been recognised as one of the "Top Business Leaders of the Nation".</p> <p>He is the Director and formal President of Association of Indian Forging Industry, Director in Sree Sankara College Association and partner at Unique Technologies. He holds directorship in seven other companies.</p>
Relationship with other Directors, Manager and KMP of the Company	Shri. Vidyashankar Krishnan is elder brother of Shri. K. Venkatramanan, Joint Managing Director and spouse of Smt. Sumita Vidyashankar, non-Executive Director of the Company.
Other Directorships and committee Membership of listed entities	He does not hold Directorship or Member in any Committee in any of the other listed entities during the last three years.
No. of shares held in the Company	2720240 shares

During his tenure as Vice Chairman and Managing Director, he will not be paid any sitting fee for attending meetings of the Board and Committees thereof. During the year 2022-23, he has attended all the five Board meetings held and his remuneration was ₹8.50 Crores.



The Board recommends the Resolutions as set out in Item no. 4 of the Notice for approval of the Members as a Special Resolution.

Shri. Vidyashankar Krishnan is deemed to be concerned / interested in this resolution, since it relates to his re-appointment and remuneration. Shri. K. Venkatramanan, brother and Smt. Sumita Vidyashankar, spouse of Shri. Vidyashankar Krishnan Director are also deemed to be interested, being his relatives.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolutions set out in Item No. 4 of this Notice.

Item No. 5:

Re-appointment of Shri. K. Venkatramanan as Joint Managing Director for a further period of five years commencing from 01 September 2023:

Shri. K. Venkatramanan, aged 53 years, holding DIN 00823317, is the Joint Managing Director of the Company. He was re-appointed as Joint Managing Director by the Shareholders in their meeting held on 11 July 2018 for a period of five years effective 01 September 2018. The current tenure of Shri. K. Venkatramanan as Joint Managing Director ends on 31 August 2023.

Considering the vast experience and vital contribution made by Shri. K. Venkatramanan towards the growth of the Company during his tenure and as recommended by the Nomination and Remuneration Committee of directors, the Board at its meeting held on 17 May 2023, approved his re-appointment as Joint Managing Director for a further period of five years from 01 September 2023 to 31 August 2028, in accordance with the Companies Act, 2013 and the Listing Regulations on such terms and conditions of his re-appointment and remuneration as detailed below.

The said re-appointment and payment of remuneration are further subject to the approval of the shareholders of the Company through Special Resolution in terms of Sections 196, 197, 203 read with Schedule V of the Companies Act, 2013 and the Listing Regulations.

Details of remuneration payable to Shri. K. Venkatramanan, Joint Managing Director:

1. Salary:
₹15,00,000/- per month and such increments as may be determined by the Nomination and Remuneration Committee and Board, from time-to-time.
2. Commission:
Such Percentage of net profits of the Company as may be decided by the Nomination and Remuneration Committee and Board, subject to the overall limit(s) prescribed under the Companies Act, 2013.
3. PERQUISITES:
 - 3.1 Housing:
 - 3.1.1 The expenditure incurred by the Company on hiring unfurnished accommodation will be subject to a ceiling of 60% of the salary;
 - 3.1.2 The amount(s) paid by the Company on gas, electricity, water, furniture, furnishings and other utilities will be evaluated as per Income Tax Rules, 1962;
 - 3.1.3 Wherever the Company does not provide accommodation, House Rent Allowance may be paid in accordance with 3.1.1. above;
 - 3.1.4 Where accommodation in a Company owned house is provided, the Company will charge 10% of his salary by way of rent.



- 3.2 **Medical Reimbursement:**
Expenses incurred for self and family for all medical treatment including premium payable for medical insurance in accordance with the rules of the Company.
Explanation: "Family" means the spouse, dependent children and dependent parents of the appointee.
- 3.3 **Medical / Personal Accident / Travel Insurance:**
Actual premium to be paid by the Company for self & family.
- 3.4 **Leave Travel Assistance (LTA):** For self and family once in a year in accordance with the rules of the Company. In case of non-availment of LTA, he is entitled to receive leave travel allowance as per the rules of the Company.
- 3.5 **Payment of company's contributions to Provident Fund / Pension Fund / Superannuation Fund / Gratuity Fund and encashment of leave (at the end of the tenure) shall not be included in the computation of remuneration or ceiling on the perquisites.**
- 3.6 **Club fees:**
Payment of membership fees for self and family in three clubs, including any admission / life membership fees.
- 3.7 **Provision of chauffeur driven company cars.**
- 3.8 **Communication Facilities:**
Provision of telephone / mobile phone and other suitable communication facilities to him (both in residence and office).
- 3.9 **Reimbursement of expenses:**
The Company will incur / reimburse all travel or other expenses incurred by him in furtherance of or in connection with performance of his duties.
- 3.10 **Such other allowances, perquisites, benefits and amenities, as may be provided by the Company to other senior executives from time to time.**
- 3.11 **Tax on non-monetary perquisites to be paid by the Company.**
- 3.12 **For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same shall be evaluated at actual cost.**
4. **The Board of Directors are authorised to increase the salary and perquisites as above, not exceeding 15% each year.**
5. **Total Remuneration:**
The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time-to-time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.



6. Minimum Remuneration:

In the event of any loss or inadequacy of profits for any financial year, the Nomination and Remuneration Committee / Board of Directors shall approve the remuneration payable to the Joint Managing Director, during such financial year, in such manner as may be agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Joint Managing Director, however not exceeding the maximum limits specified in this behalf under Section 197 read with Schedule V to the Companies Act, 2013, subject to the disclosures made separately in such event.

Pursuant to Regulations 36(3) of Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India, the following information is furnished:

Brief resume and nature of expertise	<p>Shri. K. Venkatramanan, aged 53 years, holding DIN 00823317, has a Bachelor of Engineering degree. He has around 31 years of experience. He has served in the Company's Board since April 1997. He was appointed as Joint Managing Director of the Company in February 1999.</p> <p>He has been responsible for overall marketing function, played a dynamic role towards the growth of the Company in export trend. His accomplishments include a 20-fold increase in export sales. He holds directorship in three other companies.</p>
Relationship with other Directors, Manager and KMP of the Company	Shri. K. Venkatramanan is the younger brother of Shri. Vidyashankar Krishnan, Vice Chairman and Managing Director.
Other Directorships and committee Membership of listed entities	He does not hold Directorship or Member in any Committee in any of the other listed entities during the last three years.
No. of shares held in the Company	2584960 shares.

During his tenure as Joint Managing Director, he will not be paid any sitting fee for attending meetings of the Board and Committees thereof. During the year 2022-23, he has attended four out of five Board meetings held and his remuneration was ₹8.47 Crores.

The Board recommends the Resolutions as set out in Item No. 5 of the Notice for approval of the Members as a Special Resolution.

None of the Directors except Shri. Vidyashankar Krishnan and Shri. K. Venkatramanan himself may be concerned or interested in the resolutions set out at Item No. 5.

Item no. 6:

Approving the appointment of Shri. Shankar Athreya as a Non-Executive Independent Director:

Pursuant to provisions of Sections 149, 150, 152, 160, 161, 164 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 17, 25(2A) and other applicable Regulations of Listing Regulations and as recommended by Nomination and Remuneration Committee, the Board of Directors at their meeting held on 17 May 2023, appointed Shri. Shankar Athreya (DIN: 10153304), as a Non-Executive Independent Director of the Company for a period of five years effective from the date of this AGM i.e., 11 August 2023.



In the opinion of the Board, Shri. Shankar Athreya fulfils the conditions as specified in the said Act for appointment as Independent Director. The Company has also received a notice from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Shri. Shankar Athreya, for the office of director of the Company.

The Nomination and Remuneration Committee had evaluated the qualification, skills, experience, integrity and knowledge of Shri. Shankar Athreya and felt that it would be sufficient / satisfactory to recommend their appointment as a NEID on the Board, as per the Nomination and Remuneration Policy of the Company.

Pursuant to Regulation 25(2A) read with 17(1C) of Listing Regulations, the appointment of Shri. Shankar Athreya as Independent Director requires approval of the members of the Company by Special Resolution to be accorded within 3 months from the date of appointment or at the next General Meeting whichever is earlier.

The Company has received declaration from the proposed Director confirming that he meets with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Listing Regulations. The Company has also received consent in writing from Shri. Shankar Athreya, to act as a Director in Form DIR-2 as required under the Companies Act, 2013.

Except Shri. Shankar Athreya, none of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way concerned or interested in the Resolutions, as set out in Item no. 6 of the Notice.

The Board, therefore, recommend the resolutions as set out in Item no. 6 of this Notice, for appointment of Shri. Shankar Athreya as a Non-Executive Independent Director of the Company, for approval of the members as a Special Resolution.

Pursuant to Regulations 36(3) of Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India, the following information is furnished:

<p>Brief resume and nature of expertise, skills and capabilities required for the role and the manner in which the proposed person meets such requirements.</p>	<p>Shri. Shankar Athreya, aged 54 years, holding DIN 10153304, is a qualified Chartered Accountant.</p> <p>He is a senior professional with strong institutional asset management experience at the near end and a well-known global food and agricultural investment expert. Overall, he has nearly three decades of international experience in corporate strategy and development, portfolio management, M&A, and stakeholder management in conglomerate and diversified businesses.</p> <p>He has strong track record of value creation through aligning growth and investment strategy, strong proprietary networks and delivering acquisitive growth. His experience is across a wide variety of industries with a focus on Industrials, Pharmaceuticals and Healthcare.</p> <p>His wide experience in the corporate world and asset management will bring value addition and further strengthens the Board.</p>
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Relationship with other Directors, Manager and KMP of the Company	NIL
Other Directorships and committee Membership of listed entities	He does not hold Directorship or Membership in any Committee in any of the other listed entities during the last three years.
No. of shares held in the Company	He does not hold any shares in the Company.

Item no. 7:

Approving the appointment of Shri. Hari Sankaran as Non-Executive Independent Director:

Pursuant to provisions of Sections 149, 150, 152, 160, 161, 164 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 17, 25(2A) and other applicable Regulations of Listing Regulations and as recommended by Nomination and Remuneration Committee, the Board of Directors at their meeting held on 17 May 2023, appointed Shri. Hari Sankaran (DIN: 01734801) as a Non-Executive Independent Directors of the Company for a period of five years effective from 01 April 2024.

In the opinion of the Board, Shri. Hari Sankaran fulfils the conditions as specified in the said Act for appointment as Independent Director. The Company has also received a notice from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Shri. Hari Sankaran, for the office of director of the Company.

Nomination and Remuneration Committee had evaluated the qualification, skills, experience, integrity and knowledge of Shri. Hari Sankaran and felt that it would be sufficient / satisfactory to recommend their appointment as a NEID on the Board, as per the Nomination and Remuneration Policy of the Company.

Pursuant to Regulation 25 (2A) read with 17(1C) of Listing Regulations, the appointment of Shri. Hari Sankaran as Independent Director requires approval of the members of the Company by Special Resolution to be accorded within 3 months from the date of appointment or at the next General Meeting whichever is earlier.

The Company has received declarations from the proposed Independent Director confirming that he meets with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Listing Regulations. The Company has also received consent in writing from Shri. Hari Sankaran, to act as a Director in Form DIR-2 as required under the Companies Act, 2013.

Except Shri. Hari Sankaran, none of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way concerned or interested in the Resolutions, as set out in Item no. 7 of the Notice.

The Board, therefore, recommend the resolutions as set out in Item no. 7 of this Notice, for appointment of Shri. Hari Sankaran as a Non-Executive Independent Director of the Company, for approval of the members as a Special Resolution.



Pursuant to Regulations 36(3) of Listing Regulations and Secretarial Standard 2 issued by Institute of Company Secretaries of India, the following information is furnished:

Brief resume and nature of expertise, skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	<p>Shri. Hari Sankaran, aged 59 years, holding DIN 01734801, is a Mechanical engineering graduate.</p> <p>He has vast experience in the field of automotive industry. He holds an Executive Vice Chairman position in Natesan Synchrocones Private Limited, an organization catering to OEMs and Tier 1s globally in the Automotive and Aerospace Industry. He had played a key role in in both marketing and business relationship globally and has been instrumental in various achievements of Natesan Synchro.</p> <p>His experience, integrity and relevant proficiency will bring value addition and further strengthens the Board.</p>
Relationship with other Directors, Manager and KMP of the Company	NIL
Other Directorships and committee Membership of listed entities	He does not hold Directorship or Member in any Committee in any of the other listed entities during the last three years.
No. of shares held in the Company	NIL

Item no. 8:

Approval for giving loan or guarantee or providing security in connection with loan availed by any of the Company's Subsidiary (ies) or any other person specified under Section 185 of the Companies Act, 2013:

The Company may have to render support for the business requirements of its Subsidiary Companies or Associates or Joint Ventures or group entities or any other person in whom any of the Director of the Company is interested / deemed to be interested (collectively referred to as the "Entities"), from time to time. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013, the Company will not be able to extend financial assistance by way of loan, guarantee or security to such Entities.

In the light of amendment notified by Companies (Amendment) Act, 2017, inter-alia replacing the provisions Section 185 of the Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The Board of Directors had decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Companies Act, 2013, to advance any loan, including any loan represented by book debt, to its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company are interested / deemed to be interested, or to give guarantee or provide any security in connection with any loans/ debentures / bonds etc. raised by its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company are interested / deemed to be interested, up to an aggregate limit of ₹750 Crores (Rupees Seven Hundred and Fifty Crores only).



The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

The Board of Directors recommend the resolution given in this Notice for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested financially or otherwise in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Item No. 9:

Ratification of remuneration paid to the Cost Auditor:

Pursuant to the provisions contained in Rule 14 of the Companies (Audit and Auditors) Rules 2014, the appointment and remuneration paid to Shri. S. Hariharan, cost auditor appointed at the Board meeting dated 17 May 2023, ought to be ratified by the shareholders subsequently.

Accordingly, consent of the members is sought for passing the resolution as set out in the Notice for ratification of remuneration for the financial year ending 31 March 2024.

The Board recommends the Resolutions as set out in Item no. 9 of the Notice for approval of the Members as an Ordinary Resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 9. The above resolution does not affect any other Company.

BY ORDER OF THE BOARD
For MM FORGINGS LIMITED

Place : Chennai
Date : 17 May 2023

CHANDRASEKAR S
Company Secretary
Membership No. A34736

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Board of Directors

Chairman

Shri. N. Srinivasan

Vice Chairman and Managing Director

Shri. Vidyashankar Krishnan

Chief Financial Officer

Shri. R. Venkatakrishnan

Company Secretary

Smt. J. Sumathi (retd. w.e.f 31 March 2023)

Shri. Chandrasekar. S (appt. w.e.f. 01 April 2023)

Registered Office

‘SVK Towers’, A25, 8th Floor, Industrial Estate,
Guindy, Chennai - 600032
Phone: 044 - 71601000
Fax No. 044 - 71601010
E-mail: mmforge@mmforgings.com

Factories

Plant 1 - Singampunari - 630502, TN
Plant 2 - Viralimalai - 621316, TN
Plant 4 - Mathur Post - 602105, TN
Plant 7 - Industrial Automation Division - 600058, TN
Plant 8 - Rudrapur - 263153, Uttarkand
(DVS Industries Pvt. Ltd., Subsidiary Company)
Plant 9 - A4 Industrial Area, Kursi Road, Barabanki,
District, UP 225001
Plant 10 - Ranipet - 632403, TN
(Cafoma Autoparts Pvt. Ltd., Subsidiary Company)
Plant 11 – Walajabad - 631604, TN
(Abhinava Rizel Pvt. Ltd., Subsidiary Company)
Plant 5 - Windfarms
W1 - Panakudi - 627109, TN
W2 - Theni District - 625531, TN
W3 - Tenkasi - 627811, TN
W4 - Kallapalayam - 641201, TN
Plant 6 - Solar sites
S1 - Aruppukottai – 626105, TN
S2 - Viralimalai - 621316, TN

Share Transfer Agents

Cameo Corporate Services Limited
‘Subramanian Building’, Fifth Floor
No. 1, Club House Road, Chennai - 600002
Phone: 044 - 28460390-94

Directors

Shri. V. Vaidyanathan
Shri. A. Gopalakrishnan
Smt. Kavitha Vijay
Smt. Sumita Vidyashankar

Jt. Managing Director

Shri. K. Venkatramanan

Statutory Auditors

Shri. G. Ramesh Kumar
Membership No. 018663
G Ramesh Kumar & Co.,
28, Akila Lands, Ganapathy Colony (South)
Thiruvanaikoil Post, Tiruchirapalli - 620005
Phone No. 0431 2432931, 2433140
Firm Registration No.: 003010S

Internal Auditor

Shri. Balaji Gopal

Cost Auditor

Shri. S. Hariharan
Sri Saphthagiri Homes
S.S. IInd Floor, Pulimandapam Road
Srirangam, Trichy - 620006

Secretarial Auditor

Shri. V Shankar
2-1-2 B Block First Floor
Greata Pearl Apartments, 174/206,
Choolaimedu High Road, Chennai - 600094
Ph: 044 23728925 C P No. 12974

Bankers

State Bank of India

2 Harrington Road, Chennai - 600031

DBS Bank

806 Anna Salai, Chennai - 600002

HDFC Bank Ltd

115 Dr. Radhakrishnan Salai,
Mylapore, Chennai - 600004

Federal Bank

61 Anna Salai, Chennai - 600002

ICICI Bank

1 Cenotaph Road, Chennai - 600018

Standard Chartered Bank

19 Rajaji Salai, Chennai - 600001



PERFORMANCE HISTORY

₹ in Lakhs

DESCRIPTION / YEAR	F 23	F 22	F 21	F 20	F 19	F 18	F 17	F 16	F 15	F 14
INCOME										
Sales - Domestic	90,565.24	54,744.53	35,658.12	32,853.57	42,381.88	24,531.62	16,728.26	15,162.74	13,891.22	10,961.82
Exports	48,945.77	54,053.49	35,488.63	38,236.89	46,355.03	35,559.47	29,314.40	33,743.07	35,059.10	29,112.09
- Total	1,39,511.01	1,08,798.02	71,146.75	71,090.46	88,736.91	60,091.09	46,042.66	48,905.81	48,950.32	40,073.91
Other Operating Income	1,416.92	1,666.45	1,418.03	1,638.67	1,655.29	1,970.63	1,797.02	1,320.07	1,303.08	1,069.56
Other Income	1,612.79	1,857.35	2,159.21	1,851.14	1,586.71	1,229.28	1,126.77	541.24	241.28	315.88
TOTAL INCOME	1,42,540.72	1,12,321.82	74,723.99	74,580.27	91,978.91	63,291.00	48,966.45	50,767.12	50,494.68	41,459.35
Operating Profit	27,166.66	22,031.20	14,288.64	14,370.27	18,911.64	13,673.40	10,401.98	11,343.00	11,318.14	8,209.96
Profit After Tax	12,558.89	9,175.99	4,660.75	4,623.76	8,135.04	6,850.73	4,342.22	5,008.84	5,054.82	2,931.90
Earnings per share	52.02	38.01	19.31	19.15	33.70	56.76	35.97	41.50	41.88	24.29
Dividend	60%	60%	50%	50%	50%	100%	60%	60%	60%	40%
Dividend including tax paid	1,448.45	1,448.45	1,455.09	1,417.93	1,410.40	1,402.86	841.72	841.72	841.72	561.14
Dividend as a % to PAT	11.5%	15.8%	31.2%	30.7%	17.3%	20.5%	19.4%	16.8%	16.7%	19.1%
Share Capital	2,414.08	2,414.08	2,414.08	2,414.08	2,414.08	1,207.04	1,207.04	1,207.04	1,207.04	1,207.04
Reserves & Surplus	66,460.14	55,349.40	47,622.17	44,416.47	41,210.66	35,700.59	30,252.69	26,752.19	22,585.00	18,371.91
Return on Capital Employed	18.0%	16.1%	10.7%	11.8%	15.7%	16.9%	17.1%	22.7%	25.8%	22.5%
Return on Net Worth	35.3%	32.9%	22.8%	25.0%	19.0%	17.1%	14.0%	17.6%	20.5%	14.5%
Working Capital	32,166.53	24,527.54	23,502.49	15,664.26	23,429.06	17,258.64	7,444.49	9,213.43	9,178.08	10,251.78
W C as a % to sales	22.6%	21.8%	31.5%	21.0%	25.5%	27.3%	15.2%	18.1%	18.2%	24.7%
Current Ratio	1.66	1.90	1.79	2.05	1.85	1.74	2.36	2.00	1.92	1.41
TOL / NW	1.37	1.41	1.45	1.36	1.76	1.25	0.82	0.87	0.93	0.87
Debt / Equity	0.63	0.75	0.76	0.87	1.04	0.57	0.47	0.43	0.41	0.25

DIRECTORS' REPORT

The Directors have the pleasure in presenting the 77th Annual Report and the audited accounts of the Company for the year ended 31st March 2023.

1. FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2023:

(₹ in lakhs)

S. No.	Particulars	2022-23		2021-22	
1.1	Forging sales		1,39,511.00		1,08,798.03
1.2	Profit before exceptional items/ extraordinary items and Tax		17,484.41		13,289.40
1.3	Exceptional/Extraordinary Items		0.65		0.13
1.4	Profit Before Tax		17,485.06		13,289.53
1.5	Tax				
	For current year	4,625.00		2,599.52	
	Relating to previous years	-		84.55	
	Deferred Tax / MAT credit	301.19	4,926.19	1,429.48	4,113.55
1.6	Profit after Tax		12,558.22		9,175.99

2. DIVIDEND AND FINANCIAL RESULTS

(₹ in lakhs)

S. No.	Particulars	2022-23	2021-22
2.1	Profit after Tax	12,558.22	9,175.99
2.2	Balance in P & L Account	123.71	121.17
2.3	Profit available for appropriation	12,681.93	9,297.16
2.4	Transfer to General Reserve	11,110.00	7,725.00
2.5	Proposed Dividend	1,448.45	1,448.45
2.6	Balance carried forward	123.48	123.71

The Directors declared 60% dividend (₹6/- per share) of face value of ₹10/- each, in their meeting held on 17 May 2023. The record date fixed for determining the shareholders for payment of dividend is 29 May 2023. The Directors does not recommend any final dividend for the FY 2022-23. The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

3. SHARE CAPITAL:

There was no change in the share capital during the year.

4. HIGHLIGHTS OF THE COMPANY'S OPERATIONAL PERFORMANCE:

- 4.1. The Company has overall Revenue, of above ₹1,400 crores.
- 4.2. The Company's PBT is ₹174.85 crores.
- 4.3. The Company's PAT stands at ₹125.58 crores.
- 4.4. The Company continues to be a net foreign exchange earner. The net foreign exchange earnings during the current year were ₹430.53 crores.



- 4.5. The Company has retained its ISO 9001 and TS 16949 Certification for its Quality Management.
- 4.6. The domestic sales is ₹906 crores and the export sales stands at ₹490 crores.
- 4.7. The Company has declared an interim dividend of 60% dividend for the year.

5. INDIAN ACCOUNTING STANDARD (IND AS) IFRS CONVERGED STANDARDS:

Pursuant to the notification of the Companies (Indian Accounting Standard) Rules, 2015 by the Ministry of Corporate Affairs (MCA) on 16 February 2015, the Company has adopted Indian Accounting standards (IND AS).

6. EXPENSES MADE MORE THAN 10 % OF THE TURNOVER:

Raw Material - ₹734.36 Crores (51.52 %)

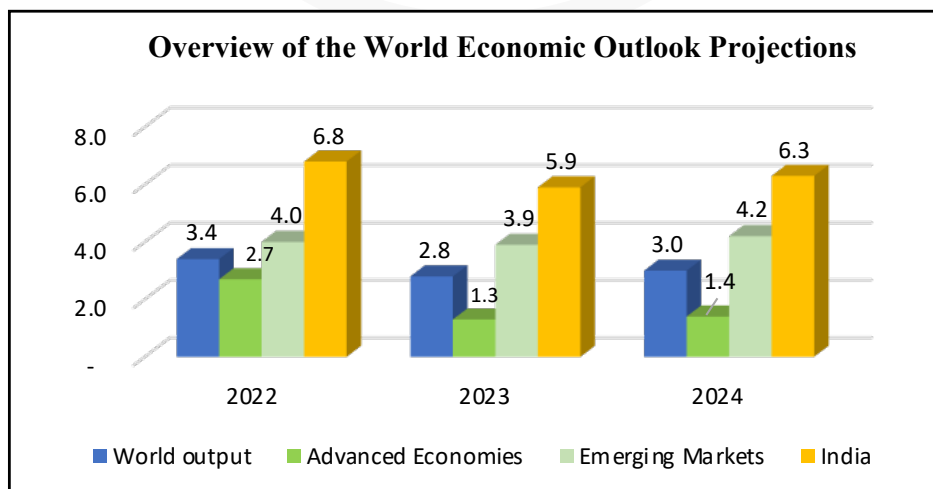
7. MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview – Global

The year 2022 proved to be a tumultuous period for the global economy. Just as the world was on the mend post multiple waves of COVID, the Russia-Ukraine conflict induced a trail of irreversible economic, social and political effects. Global inflation touched an all-time high of 8.7% with many developed economies witnessing double digit inflation figures for the first time in many decades.

The surge in inflation witnessed across commodities in the aftermath of the conflict, added to the already elevated inflationary concerns across economies grappling with the fractured supply chain networks resulting from the COVID fallout. This led to unprecedented, synchronized, increases in policy rates across all major economies which not just resulted in monetary policy tightening across the emerging economies but also led to significant forex reserve challenges in many economies, ultimately impacting business conditions across many markets.

With global growth decelerating as the effects of monetary tightening and Russia's war in Ukraine continue to weigh on activity, the year 2023, equally looks to be a challenging year for the global economy. Persistent inflationary pressures, and recent financial sector problems in the United States and Europe, are injecting additional uncertainty into an already complex economic landscape.





Global growth at 3.4% in 2022 will bottom out at 2.8% in 2023, before rising modestly to 3.0% in 2024. Global headline inflation is set to fall from 8.7% in 2022 to 7.0% in 2023 on the back of lower commodity prices, but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases. Once inflation rates are back to targets, deeper structural drivers will likely reduce interest rates toward their pre-pandemic levels.

The anaemic outlook reflects the tight policy stances needed to bring down inflation, the fallout from the recent deterioration in financial conditions, the ongoing war in Ukraine, and growing geo-economics fragmentation. Businesses, across geographies, would need to be vigilant and exhibit flexibility, working with dynamic operating models to adapt to the evolving conditions while simultaneously building resiliency in their business models to ensure sustained performance.

Economic Overview – India

India's growth continues to be resilient and set to be the second-fastest growing economy in the G20 in F23, despite some signs of moderation in growth, decelerating global demand and the tightening of monetary policy to manage inflationary pressures.

The growth was underpinned by strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners. Inflation remained high, averaging around 6.7% in F23 but the current-account deficit narrowed in Q3F23 on the back of strong growth in service exports and easing global commodity prices.

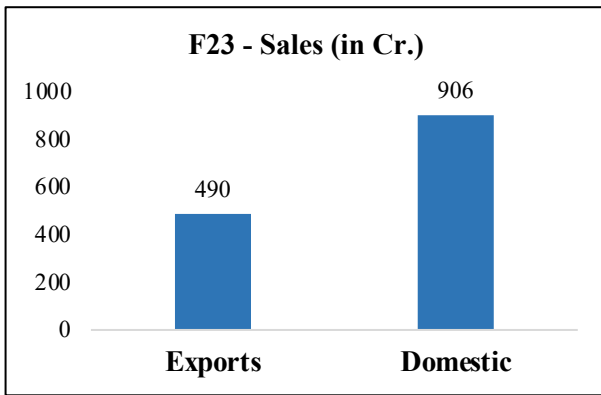
India's economic growth rate is stronger than in many peer economies and reflects relatively strong domestic consumption and lesser dependence on global demand. India's Gross Domestic Product (GDP) grew by 7.2% in F23 against 9.1% expansion in previous fiscal.

Due to headwinds from the impact of rapid monetary policy tightening in the advanced economies, heightened global uncertainty and the lagged impact of domestic policy tightening, India's GDP is expected to slow down to 6% in F24 and is projected to rise to 6.9% in F25 and F26 and 7.1% in F27.

The automotive industry will remain vulnerable to global headwinds in 2023 including the energy crisis, spike in fuel price due to the conflict, slower global demand and continued supply-chain problems. Steel prices has reduced globally in F23, while in India, it continues to be stable, after plotting a volatile season since F21.

Based on the current market scenario, domestic equity markets could experience some volatility in the short term. However, in the long run, Indian equity markets are likely to remain attractive for investors due to the country's strong economic fundamentals and growth prospects.

India's automotive industry is poised to become the world's third-largest market by 2030, showcasing its dominance in the international heavy vehicles arena. As the industry contributes significantly to India's GDP and manufacturing sector, the nation is also emerging as a leader in Electric Vehicle (EV) adoption. Climate action has become more important globally, and enterprises focusing on sustainability, renewable energy and EV sectors will receive attention from investors. The EV market is expected to grow at a CAGR of 49% between 2023-2030, with annual sales reaching 10 million units by 2030.



Overall Outlook:

Inflation, global trade tensions and economic uncertainties is expected to be crucial in F24. Overall, the outlook is positive with significant growth in domestic sales. Export market looks to be challenging.

Market segments outlook:

Key segment analysis: Commercial Vehicles (CV)

The Indian domestic market is exuberant and continues to register its growth, be it the Passenger Vehicle (PV) or Commercial Vehicle (CV) segment, with the latter particularly witnessing good growth in the Medium & Heavy Commercial Vehicles (MHCV) category owing to the government push on infrastructure development. MHCV Industry is the backbone of Indian Economy and is undergoing technological upgradation through the implementation of Real-Time Driving Emission (RDE) Norms in F24.

In the Indian markets, CV sales increased from 7,17,000 to 9,63,000 Vehicles and total PV Sales increased from 30,70,000 to 38,91,000 vehicles during the year 2022-23 as compared to the previous year. Sales of MHCV increased from 2,41,000 to 3,59,000 Vehicles.

Globally, container availability has improved but with headwinds of inflation and the Ukraine war, growth in export markets is expected to be a challenge. The fall in exports to a few countries has been mainly due to unfavourable forex situation. However, an improvement is expected in the coming months.

The CV Segment plays a significant role of MMF in F23 with overall sales of 80%. Passenger car segment constitutes 11% and others 9%. Further, with increase in share of business in Europe and a positive outlook for class 8 trucks in North America from Q3F23, the market conditions have turned significantly positive and the segment is expected to do well in North America and Europe in F24. The Class 8 truck sales reported at 3,09,615 units in the CY 2022.

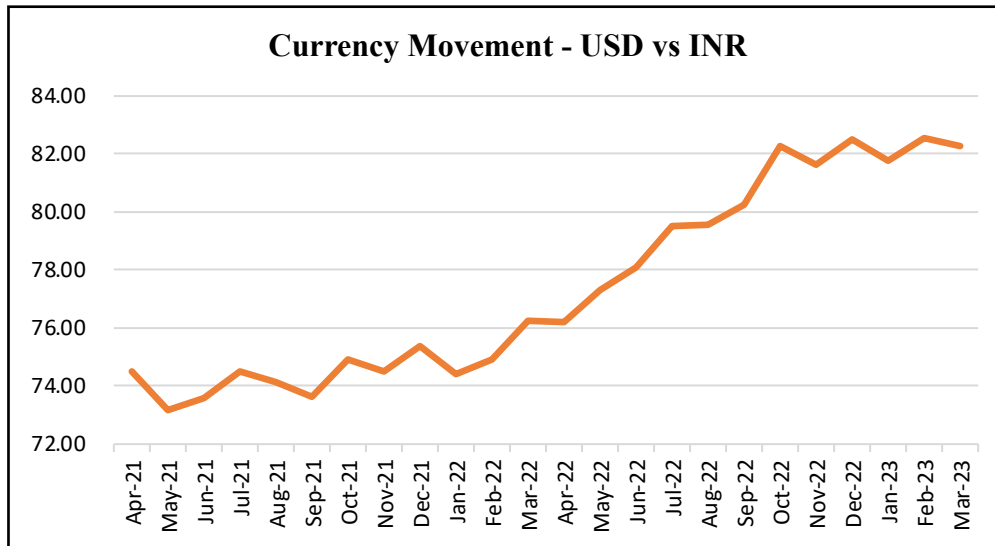


Commercial Vehicle Segment



Currency movement: [USD vs INR]

The continued impact of Russia-Ukraine conflict, macroeconomic uncertainties and increase in interest rates by US Federal Reserve from time to time to combat the higher inflation rates had significantly weakened the INR value, to end the year on 31st March, 2023 above ₹82 levels. The Indian Rupee is expected to be under pressure in FY 2023-24 also.



M M FORGINGS – Achievements in F23

The following were achieved during F23, despite global trade tensions and economic uncertainties.

Domestic sales:	₹ 906 crore
Export sales:	₹ 490 crore
Total sales:	₹1,395 crore
Overall sales:	₹1,425 crore
Production tonnage:	76,245 Tons

Changes in steel prices which are in line with international markets are generally being passed on to customers as is the industry practice.

We are focusing on launching new products to take advantage of the forging capacities created in the last 4 years. We are also de-bottlenecking to take advantage of the growth in established products.

Key Financial Ratios:

Return on Capital Employed:	18.04%
Return on Networth:	17.76%
Ratio on total outside liabilities:	1.37
Debtors Turnover:	107 days
Inventory Turnover:	4.68
Interest Coverage Ratio:	8.75
Current Ratio:	1.66
Debt Equity Ratio:	0.63
Operating Profit Margin (%):	12.27 %
Net Profit Margin (%):	8.81 %.



Human Resources and Industrial Relations

1. Our Company continues to focus on the development of its human resources to improve its performance. As on 31 March 2023, the Company had 3722 employees. It is their invaluable contribution that has primarily resulted in our Company's position of strength in the industry.
2. Focus on a safe working atmosphere, constantly evolving systems for recognition and reward, consistent communication and imparting skills and training – all these focused on meeting customer needs, characterize the HR development of Human Resources of the Company.

Every year, each plant of the Company celebrates Founder's Day in a family atmosphere with all employees and their households. This practice has been hampered on account of COVID-19 for the past two years. During F23, the Company continued Founder's Day celebration and it was celebrated in a grand manner.

Health, Safety and Environment

1. The Company follows a policy of zero tolerance towards accidents. Wherever possible, visible controls and fail-safe systems are provided to ensure prevention of accidents. Regular communication, periodic reviews of practices and training, play a vital role in maintaining safety standards.
2. The Company ensures compliance with all pollution control regulations. Adequate pollution control equipment has been installed to treat effluents and to control air pollution.

Risk Management

1. The Company is a leading manufacturer of automotive components. Automotive industry is subjected to cyclical variations in performance and is very sensitive to policy changes. The market is very competitive. Prices of raw materials change based on supply and demand. Margins remain under constant pressure. Any steep reduction in off-take exposes the Company to high fixed costs.
2. A considerable portion of the customers of the Company are situated outside of India. Hence, demand for the Company's product is subject to the health of the global economy.
3. The war in eastern Europe poses significant risk in global geopolitical stability.
4. Further, the consequent inflation in commodity prices, hike in interest rates and prospect of significant demand reduction are risks to be considered in the coming months.
5. The Company has spread its risks by increasing the geographic spread of its customer base. The Company proposes to improve capacity utilization in its existing facilities. Working capital management will receive high priority.
6. Risk Management Committee (RMC) has been formed effective 21 June 2021.
7. RMC shall meet minimum of twice a year.
8. The responsibilities of RMC include formulating risk management policy, implementation of the policy, monitor, evaluate risks, device appropriate methodology, processes and systems.



M M FORGINGS – forging ahead with Manufacturing Excellence

Our goals in the coming months:

1. Focus on improving sales in keeping with market conditions.
2. Utilizing the production capacity of 1,20,000 Tons.
3. Actively seeking new products and new customers and taking appropriate measures for cost control, particularly on reducing energy consumption and improving productivity.
4. Enhance IT systems with the continued development of the ERP system in place.
5. Continue the evolution into green sources of energy in the coming months.
6. Reduce the impact on the environment.

Sources:

- IMF World Economic Output
- The Economist
- SIAM data
- Act Research
- The World Bank

8. TRANSFER TO RESERVE:

A sum of ₹111.10 Crores has been transferred to General Reserve.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has made advance to its wholly-owned Subsidiary Companies viz., DVS Industries Private Limited (outstanding as on 31st March 2023 - ₹82.68 Crores) and Suvarchas Vidyut Private Limited (outstanding as on 31st March 2023 - ₹8.22 Crores), repayable at prevailing rates. The details of the investments made by the Company are given in the notes to the financial statements.

10. DIRECTORS & KEY MANAGERIAL PERSONNEL:

10.1. Special Recognition for Shri. Vidyashankar Krishnan:

During the year under review, Shri. Vidyashankar Krishnan, Vice Chairman and Managing Director, was conferred as “India’s Top Minds 2022” and has been recognised as one of the “Top Business Leaders of the Nation”. The above prestigious award was issued in the “Indian Brand and Leadership Conclave 2022” held on 30 April 2022 at ITC Sheraton, New Delhi organized by The Brand Story Presided by Sri Faggan Singh Kulaste, Minister of State, Ministry of Steel and Special Rural Development, Government of India.

10.2. Directors’ Appointment / Re-appointment / Cessation:

The Board of Directors at its meeting held on 17 May 2023 has approved the re-appointment of Shri. Vidyashankar Krishnan, Vice-Chairman and Managing Director and Shri. K. Venkatramanan, Joint Managing Director, for a further period of five years from 01 September 2023 to 31 August 2028 in accordance with the Companies Act, 2013 and the Listing Regulations on such terms and conditions of his re-appointment including remuneration, as recommended by the Nomination and Remuneration Committee of directors at their meeting held on 17 May 2023. The shareholders’ approval is being sought and the resolution forms part of Notice of this AGM.

10.3. Retirement by Rotation:

Smt. Sumita Vidyashankar, holding DIN 00059062, will retire by rotation and being eligible has offered herself for re-appointment.

**10.4. Independent Directors:**

In the AGM held on 11 July 2018, Shri. N. Srinivasan, Shri. V. Vaidyanathan and Shri. A. Gopalakrishnan, were appointed as Independent Directors, for the second term of five years, and shall hold office till 31st March 2024. Smt. Kavitha Vijay, Independent Director, was appointed for the second term of five years in the AGM held on 29 September 2020, and shall hold office as Independent Director till 31st March 2025.

All Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. Shri. N. Srinivasan and Shri. V. Vaidyanathan are exempted from undergoing self-assessment test. Shri A. Gopalakrishnan and Smt. Kavitha Vijay have passed the self-assessment test conducted by the Ministry of Corporate Affairs.

As required under sub section (7) of Section 149 of the Companies Act, 2013, all the Independent Directors have declared that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations of the Listing Regulations.

During FY 2022-23, a separate meeting of Independent Directors was held on 14 November 2022, without the participation of non-Independent Director for evaluating the performance of non-Independent Director, the Chairman of the Board and the Board as a whole. Independent Directors had expressed their satisfaction on the evaluation process and the results thereof.

10.5. Change in Key Managerial Personnel (KMP):

The Board of Directors at their meeting held on 13 February 2023, has noted the retirement pursuant to superannuation of Smt. J. Sumathi, Company Secretary of the Company effective 31 March 2023. As recommended by Nomination and Remuneration Committee, Shri. Chandrasekar. S, holding ACS Membership number A34736, was appointed as Company Secretary of the Company, effective 1 April 2023.

11. NOMINATION AND REMUNERATION POLICY:

In terms of provision of section 178 of the Companies Act, 2013 read with Rules prescribed, a policy for the Directors, KMP and other employees has been adopted by the Board of Directors of the Company, which analyses the criteria for determining qualifications, positive attributes and independence of a Director.

The said policy is provided in Company's website as below:

[https://www.mmforgings.com/uploads/policies/Nomination_and_Remuneration_Policy_\(amended\).pdf](https://www.mmforgings.com/uploads/policies/Nomination_and_Remuneration_Policy_(amended).pdf)

12. BOARD AND COMMITTEE MEETING DATES:

During the Financial Year 2022-23, the Board met five times. The details of the meetings of Board and Committee Meetings are provided as part of Corporate Governance Report prepared in terms of Listing Regulation in Annexure III of this Report.

13. DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS:

None

14. RISK MANAGEMENT:

Company's risk management framework is well embedded and continually reviewed by the Risk Management Committee, consist of majority of Board Members. It enables the Board, to identify, evaluate and monitor principal risks and where possible, actively mitigate the risks that could affect the achievement of the Company's target.

The Company's Risk Management Committee is overseeing all the risks that the organization faces such as strategic, financial, market, IT, legal, regulatory, reputational and other risks and recommends suitable action. The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Audit Committee is informed on the risk assessment and minimizations mechanism adopted by the Company.

15. RELATED PARTY TRANSACTION:

The Company has formulated a policy on related party transactions and the same is uploaded on the Company's website:

https://www.mmforgings.com/uploads/policies/Policy_on_Related_Party_Transactions.pdf

There are no 'Material' contracts or arrangement or transactions at arm's length basis.

There are no materially significant Related Party transactions made by the Company with Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

For related party transactions as per Accounting Standards, refer Notes on Accounts.

16. CORPORATE SOCIAL RESPONSIBILITY:

A Board Level Committee of Corporate Social Responsibility (CSR) has been constituted and the Board has adopted a CSR Policy as recommended by the CSR Committee. The thrust areas of CSR Policy are Eradicating Hunger and Poverty, Education, Combating Diseases and Social Business Projects.

Amount to be spent under CSR for F23	- ₹162.83 lakhs
Excess Spent in F22	- ₹ 26.68 lakhs
Amount spent in F23	- ₹189.98 lakhs
Excess spent in F23	- ₹ 27.15 lakhs

Annual report on CSR has been provided as a part of Corporate Governance Report in Clause 6 in Annexure III of this Report.

17. PARTICULARS OF EMPLOYEES

The information required under the rules prescribed, has been given in the annexure appended hereto and forms part of this report.



18. PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES:

18.1. The ratio of remuneration of each Director to the median remuneration of the employees:

Sl. No.	Name of the Director	Ratio
1	Shri. N. Srinivasan	0.00:1
2	Shri. V. Vaidyanathan	1.87:1
3	Shri. A. Gopalakrishnan	1.87:1
4	Smt. Kavitha Vijay	1.87:1
5	Smt. Sumita Vidyashankar	1.87:1
6	Shri. Vidyashankar Krishnan	318.90:1
7	Shri. K. Venkatramanan	317.66:1

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

18.2. % increase in remuneration of each Director, KMP, in the financial year:

Sl. No.	Name of the Director	% increase / (decrease) in the Remuneration
1	Shri. N. Srinivasan	(77.78)
2	Shri. V. Vaidyanathan	13.43
3	Shri. A. Gopalakrishnan	15.69
4	Smt. Kavitha Vijay	34.09
5	Smt. Sumita Vidyashankar	35.23
6	Shri. Vidyashankar Krishnan	22.33
7	Shri. K. Venkatramanan	21.86
8	Smt. J. Sumathi	4.10
9	Shri. R. Venkatakrishnan	10.80

18.3. % increase in median remuneration of employees in the FY 2022-23 – 14.60%.

18.4. The number of permanent employees on the rolls of Company: 1941.

18.5. Comparison of remuneration of each KMP against performance of Company

Name	Designation	CTC (₹ in lakhs)	% of increase	PAT (₹ in lakhs)	% increase in PAT
Shri. Vidyashankar Krishnan	Vice Chairman and Managing Director (CEO)	850.53	22.33	12558.22	36.85
Smt. J. Sumathi	Company Secretary	11.32	4.10		
Shri. R. Venkatakrishnan	CFO	17.14	10.80		

- 18.6. Average Increase in Remuneration for employees other than Directors and KMP is 10.10% and average Increase in Remuneration for KMP and Senior Management is 21.90%.

The increase in remuneration is not solely based on company performance but also includes various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc., besides Company performance. There are no exceptional circumstances for increase in the managerial remuneration.

- 18.7. Key parameters for any variable remuneration of Directors:
Directors are being paid Commission. However, the overall managerial remuneration payable is subject to the provisions of the Companies Act, 2013.
- 18.8. Variation in market cap/ net worth of Company:

Date	Paid-up Capital (Shares)	Closing market price per share	EPS	PE Ratio	Market Capitalisation (₹ in Cr.)
31 March 2023	24140800	833.00	52.02	16.01	2,010.93
31 March 2022	24140800	846.75	38.01	22.28	2,044.12

- 18.9. Ratio of remuneration of highest paid Director to other employees who get remuneration more than highest paid Director – NOT APPLICABLE.

- 18.10. 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.

19. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATIONS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant and material orders passed by the Regulators or Courts or Tribunals, which would impact the going concern status of the Company and its future operations.

20. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED SINCE 31ST MARCH, 2023 TILL THE DATE OF THE REPORT:

NIL

21. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby stated that:

- 21.1. In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- 21.2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2023 and of the profit or loss of the Company for that period ended on that date;



- 21.3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 21.4. The Directors had prepared the annual accounts on a going concern basis;
- 21.5. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- 21.6. 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.

22. ESTABLISHMENT OF VIGIL MECHANISM:

The Company has in place a vigil mechanism pursuant to which a Whistle Blower Policy has been in vogue. The Whistle Blower Policy covering all employees and Directors is hosted on the Company's website at:

https://www.mmforgings.com/uploads/policies/Whistle_Blower_Policy2.pdf.

A high level Committee has been constituted to look into the complaints. The Committee reports to the Audit Committee and the Board.

23. ADEQUACY OF INTERNAL FINANCIAL CONTROL:

The Company had laid down Internal Financial Controls and such internal financial controls are adequate with reference to the Financial Statements and were operating effectively. The Board is accountable for evaluating and approving the effectiveness of the internal controls, including financial, operational and compliance controls.

It also ensures the orderly efficient conduct of its business, including adherence to Company's policies, the safe guarding 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 during the year, such controls were tested and no material weakness in the operations were observed. Further, the internal audit plan is also aligned to the business objectives of the Company which is reviewed, monitored and approved by the Audit Committee.

24. CORPORATE GOVERNANCE REPORT

The guidelines evolved by SEBI were applicable to the Company. The Company is committed to ethical management and excellence in performance. Details are provided in Annexure III.

25. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

In accordance with Regulation 34(2)(f) of the Listing Regulations, with effect from F23, top 1000 companies based on Market Capitalisation as per NSE / BSE as on 31st March of every Financial Year, are required to disclose BRSR as part of their Directors' Report. BRSR, covering disclosures on the Company's performance on Environment, Social and Governance parameters for F23, is provided as Annexure V to this Report. BRSR includes reporting on the nine principles of the National Voluntary Guidelines on social, environmental and economic responsibilities of business as framed by the MCA.

26. ANNUAL RETURN

In terms of the requirement of Section 92(3) read with Section 134(3) of the Companies Act, 2013, the Annual Return of the Company for the year ended 31st March 2022 and the draft Annual Return of the Company for the year ended 31st March 2023 is available in the Company's website in the following link. https://www.mmforgings.com/Investors/annual_return

27. A STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

27.1. Nomination and Remuneration Committee had laid down the criteria and prescribed a peer evaluation methodology by way of set of questionnaire to evaluate the performance of individual Director, Committee(s) of the Board, Chairman of the Board and the Board as a whole. The Board subsequently carried out the performance evaluation as per the methodology.

1. The Performance evaluation of the Board as whole was assessed based on the criteria viz., adequacy of the composition of the Board and its Committees, Board culture, execution, mix of skills and experience, its meeting sequence, decision making, quality of information, performance of specific duties, obligation and governance.
2. The performance evaluation of individual Director including Chairman of the Board, was carried out based on his/her commitment to roles and responsibility, level of engagement and contribution, independence of judgement, strategic and lateral thinking, safeguarding the interest of the Company and its minority shareholders etc.,
3. The performance evaluation of Senior Managerial Personnel was determined based on their performance and achievement of business plans as approved by the Board and management, their commitment towards roles and responsibility, leadership quality, productivity, team management etc.,

27.2. Further, Independent Directors, in their meeting held on 14 November 2022 (without the participation of non-Independent Director and personnel from management), had considered and evaluated the Board's performance on the whole, the performance of the Chairman and other non-independent Directors.

27.3. There are no observations or pending actions on the Board evaluation. The Board expressed its satisfaction with the evaluation process and results thereof.

28. FAMILIARISATION OF PROGRAMME ARRANGED FOR INDEPENDENT DIRECTORS

28.1. M M Forgings Limited has put in place a system to familiarise independent Directors about the Company, its products, business and the on-going events relating to the Company.

28.2. Independent Directors of the Company are made aware of their role, responsibilities and liabilities at the time of their appointment / re-appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

28.3. They are also made aware of Company's Board and Board Committee framework, policies and procedures.



- 28.4. As a part of Board's discussions, presentations on business of the Company are made to the Directors from time to time.
- 28.5. Important announcements and press releases for various news related to the Company are forwarded to the Directors from time to time.
- 28.6. Each member of the Board, including the independent Directors, have been given complete access to any information relating to the Company.
- 28.7. The details of familiarisation programme are available on the Company's website in the link given below:
https://www.mmforgings.com/uploads/Familiarisation_programme/Familiarisation_Programme.pdf

29. AUDITORS:

29.1. Statutory Auditors:

The Company at its 76th Annual General Meeting (AGM) held on 4 July 2022 has appointed M/s. G Ramesh Kumar & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office for the first term of 5 years from the conclusion of 76th AGM till the conclusion of 81st AGM, at such remuneration in addition to applicable taxes, out of pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

The Statutory Auditors will continue to hold office for the second year in their first term of five consecutive years, from the conclusion of this AGM.

The Auditors' Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark and the same is attached with the annual financial statements.

29.2. Secretarial Auditor:

Pursuant to Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has re-appointed Shri. V. Shankar, Practicing Company Secretary (C.P. No. 12974) as the Secretarial Auditor for the Financial Year 2023-24.

The Secretarial Audit Report for the Financial Year 2022-23 given by Shri. V. Shankar is attached to this Report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks.

29.3. Cost Auditor:

Pursuant to the provisions contained in Rule 14 of the Companies (Audit and Auditors) Rules, 2014, Shri. S. Hariharan (CP No. 20864) has been appointed as Cost Auditor for the financial year 2023-24.

30. EXPLANATION TO AUDITOR'S REMARK

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors and Company Secretary in practice in their reports respectively. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

31. SAFETY

Employees have been encouraged to adhere to safety in all their activities in and out of the Company premises. Safety training at all levels have been provided by the Company.



32. PERFORMANCE OF SUBSIDIARIES:

32.1. D V S Industries Private Limited:

The Company has fully acquired D V S Industries Private Limited (D V S) in the year 2018. D V S becomes a wholly-owned subsidiary of the Company. It has its factory located in Pantnagar, Uttarakhand. D V S Industries is well equipped with precision equipment, in-house tool room inspection facilities, well trained personnel, etc.,

During the Financial year under review, D V S has achieved a turnover of ₹95.54 Crores as against ₹66.51 Crores in F22. The EBITDA stood at ₹16.41 crores as against loss of ₹5.25 Crores in F22.

32.2. Cafoma Autoparts Private Limited:

The Company has acquired Cafoma Autoparts Private Limited (Cafoma) for ₹33 Crores, including subordinated debt of ₹5 Crore on 15 October 2021. It is the wholly-owned subsidiary of MM Forgings Limited and is engaged in manufacturing and machining of crankshaft.

Cafoma achieved a turnover of ₹10.76 Crores in F23 as against ₹10.09 Crores achieved in F22. The EBITDA in F23 stands at ₹2.97 Crores as against ₹3.17 Crores in F22.

In order to have integration of business operations and consolidation of the activities leading to operational synergies and to reduce multiplicity of legal and regulatory compliance, the Board of Directors, in their meeting held on 13 February 2023, have approved the scheme of amalgamation of Cafoma with the Company effective 01 April 2023. The Company is in the process of filing necessary applications with National Company Law Tribunal and procedural activities are being undertaken for the aforesaid amalgamation process.

32.3. Suvarchas Vidyut Private Limited:

Suvarchas Vidyut Private Limited (SVPL) was incorporated as a wholly owned subsidiary of the Company on 31 March 2022. SVPL is engaged in manufacturing of electrical and electronic components and subassemblies for industrial, consumer, and automotive applications. During the year under review, SVPL have registered sales of ₹7.53 Crores with EBITDA reported with a loss of ₹1.82 Crores.

32.4. Abhinava Rizel Private Limited:

Abhinava Rizel Private Limited (ARPL) was incorporated on 11 May 2022.

As a part of transformation strategy, with an intention to develop and to become a leading player in the growing electric vehicle (EV) segment, M M Forgings Limited (MMF) had acquired 88% stake in ARPL on 01 September 2022 by investing ₹15.84 Crores in equity, thereby becomes a holding Company of ARPL.

ARPL is engaged in business of design, manufacturing of parts / components for EV electric power train, electric motors and electric controllers' / drives gearbox and ADAS systems, etc., used in automotive, industrial, marine, aerospace etc., The samples and testing of motors in two and three wheelers are in the initial stage. The production is expected to commence from Q3F24.

33. DEPOSITS:

The Company does not have any deposits nor accepts any fresh deposits.

34. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

Disclosures as per requirements of Section 134 (3) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 with respect to Energy Conservation, Technology Absorption, Research & Development and Foreign Exchange Earnings / Outgo are given in Annexure I.

35. PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

During the year under review, pursuant to the new legislation, "Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013" introduced by the Government of India, which came into effect from 09 December 2013, the Company has framed a Policy on Prevention of Sexual Harassment at workplace. There were no cases reported during the year under review under the said Policy.

Disclosures in relation to the Sexual Harassment of Women in work place:

No. of complaints filed during the year – 0

No of complaints disposed of during the year – 0

No of complaints pending as on the end of the financial year – 0

36. ACKNOWLEDGEMENT:

Your directors would like to express their gratitude for the cooperation and continued assistance received from DBS Bank, State Bank of India, HDFC Bank, Federal Bank, ICICI Bank, RBL Bank Limited and Standard Chartered Bank.

Your directors wish to record their appreciation for the exemplary services rendered by the employees of the Company. The results achieved would not have been possible but for their outstanding effort and divine grace.

Above all the Directors thank the shareholders for their continued confidence in the management.

For and On behalf of the Board

VIDYASHANKAR KRISHNAN
Chairman of the Meeting
(DIN 00081441)

Place: Chennai
Date: 17 May 2023

ANNEXURE I – to the Directors’ Report:

Information in accordance with Section 134 of the Companies Act, 2013 and as per (requirement of Rule 8(3) of the Companies (Accounts) Rules, 2014) and forming part of the report of the Directors for the year ending 31st March 2023.

(A) CONSERVATION OF ENERGY

1. Energy conservation methods undertaken:
 - 1.1 Conservation of energy is a continuous process. We have spent around ₹46 lakhs to improve efficiency and save on power consumption.
 - 1.2 Buildings are set up with natural lighting and energy efficient LED lights.
 - 1.3 Consumption of Light Diesel Oil and Furnace Oil is closely monitored to conserve energy.
 - 1.4 Waste heat is extracted to reduce energy consumption in Heat Treatment.
2. Additional investment and proposals, if any, being implemented for the reduction in consumption of energy: Optimising energy consumption, close monitoring of Power Consumption of Induction Billet Heaters to reduce power consumption.
3. Green Power:

The Company has generated 246.60 lakh units from its wind and 23.86 lakh units from solar farms equivalent to 22860 tons of CO₂ from wind and 2203 tons of CO₂ from solar, totalling a saving of 25063 tons of CO₂ in the year.
4. Impact of measures at 1, 2 & 3 for reduction of energy consumption and consequent impact on the cost of production of goods: It is not possible to determine the figure.

PARTICULARS	FY 2022-23	FY 2021-22
1. ELECTRICITY		
a. Purchased:		
Units	10,36,07,897	9,42,54,687
Total Amount	69,71,12,583	72,36,94,615
Rate / Unit	6.73	7.68
b. Own Generation:		
Units	1,21,154	1,64,777
Units per ltr.	4.16	3.71
Cost / Unit	29.47	27.19
2. FUEL OIL		
Quantity (in ltrs.)	16,47,904	22,93,892
Total amount	21,14,45,211	19,64,04,374
Average Rate (/ltr.)	128.31	85.62
3. CONSUMPTION PER UNIT OF PRODUCTION		
a. Electricity Units	1,746	1,542
b. Fuel Oil liters	28	37

Note: No standards are available for comparison.

**(B) TECHNOLOGY ABSORPTION:
RESEARCH AND DEVELOPMENT (R&D)**

Specific areas in which R&D are carried out by the Company:

1. R&D efforts in a manufacturing industry like ours, is an ongoing process. Continuous efforts have been taken in various areas of the manufacturing activity.
2. Benefits derived as a result of the above R&D: It has not been possible to determine the figure.
3. Future plan of action: Continuous efforts are being put in by way of Research & Development in all the areas of manufacturing to reduce the cost of major inputs such as steel, fuel, power, etc.
4. Expenditure on R& D: Not less than ₹100 lakhs though indirectly.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
 - 1.1. Continuous efforts are made on conservation of raw material by improving design and layout of dies.
 - 1.2. The Company has upgraded its Quality Management Systems to TS 16949
2. Benefits derived as a result of the above efforts:
 - 2.1. Reduction in raw material consumption.
 - 2.2. With the accreditation to TS 16949 many new export customers are being developed.
 - 2.3. Technology imported during the last 5 years: Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1	Activities relating	Exports at ₹48,945.77 lakhs form a significant part of the Company's turnover (₹54,053.49 Lakhs in 2021-22)
2	Initiatives taken to increase development of new export markets for products and services and export plan	<p>a. Vigorous efforts are taken by marketing department to locate new multinational customers in addition to the existing multinationals.</p> <p>b. The Company has been consistently retaining the TS 16949 certification for its Quality Management system.</p>
3	Total Foreign Exchange	<p>Earned: ₹4,89,45,76,910 (₹5,40,53,49,642 in 2021-22)</p> <p>Used: ₹58,92,95,465 (₹63,87,33,562 in 2021-22)</p>

For and On behalf of the Board

VIDYASHANKAR KRISHNAN
Chairman of the Meeting
 (DIN 00081441)

Place: Chennai
 Date: 17 May 2023



ANNEXURE II FORMING PART OF THE REPORT OF THE DIRECTORS

Information as required under Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March 2023.

Sl. No.	Name	Designation	Remuneration	Qualification	Exp.	Date of Joining	Age	Last Emp.	% of shares held in the Company
(a) Employed throughout the year and were in receipt of remuneration at a rate of not less than ₹102 lakhs per annum									
1	Shri. Vidyashankar Krishnan DIN: 00081441	Vice Chairman and Managing Director	8,50,53,071	B.E., M.S.	33	25 Jun 1990	57	Nil	11.27%
2	Shri. K. Venkatramanan DIN: 00823317	Joint Managing Director	8,47,22,362	B.E.	31	24 Jan 1992	53	Nil	10.71%
(b) Employed for a part of the year and were in receipt of remuneration at a rate of not less than ₹8.5 lakhs per month									
NIL									

Note: Remuneration as shown above includes salary, commission, employer's contribution to Provident Fund and value of perquisites together.

For and On behalf of the Board

VIDYASHANKAR KRISHNAN
Chairman of the Meeting
 (DIN 00081441)

Place: Chennai
 Date: 17 May 2023



ANNEXURE III TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance:

The Company is committed to the highest standards of corporate governance while maintaining its rapid growth and performance excellence. The Company strongly believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in total functioning of the Company with unwavering focus on protecting the shareholders' rights, enhancing the shareholder value and ensuring equitable treatment of all other stakeholders such as customers, suppliers and employees. A judicious mix of empowerment based on trust and accountability forms the foundation of our management philosophy.

2. Board of Directors:

The Board of Directors (the Board), which consists of eminent persons with considerable professional expertise and experience, provides leadership and guidance to the management, thereby enhancing Stakeholders' value.

2.1. Composition and category of Directors as on 31st March 2023 is as follows:

Category	No. of Directors	% Of total strength
Executive Directors	2	28.57
Non-Executive, Independent Directors	4	57.14
Non-Executive, Non-Independent Director	1	14.29
Total	7	100.00

2.2. Attendance and other Directorships:

2.2.1. The details of attendance of the Directors at the board meetings held during the year and at the last Annual General Meeting (AGM) held on 04 July 2022 are as follows:

Name of the Director	Category (*)	Attendance Particulars		
		No. of Board meeting entitled to attend	No. of Board meetings attended	Last AGM
Shri. N. Srinivasan	NEID	5	1	No
Shri. V. Vaidyanathan	NEID	5	4	Yes
Shri. Vidyashankar Krishnan	ED	5	5	Yes
Shri. K. Venkatramanan	ED	5	4	No
Shri. A. Gopalakrishnan	NEID	5	4	Yes
Smt. Kavitha Vijay	NEID	5	5	Yes
Smt. Sumita Vidyashankar	NENID	5	5	Yes

*NEID – Non-Executive Independent Director; ED – Executive Director;

NENID - Non-Executive Non-Independent Directors



2.2.2. The details of other directorships and committee memberships / chairmanships as on 31st March 2023:

Name of the Director	Number of other Directorships Committee Memberships / Chairmanships		
	Other Directorship	Committee Membership **	Committee Chairmanship **
Shri. N. Srinivasan	8	2	1
Shri. V. Vaidyanathan	-	2	1
Shri. Vidyashankar Krishnan	9	2	-
Shri. K. Venkatramanan	3	1	-
Shri. A. Gopalakrishnan	-	2	-
Smt. Kavitha Vijay	7	4	-
Smt. Sumita Vidyashankar	5	2	-

** For the Membership and Chairpersonship in Committees, only Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

2.2.3. None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees across all the companies in which they are Directors.

2.2.4. The number of Directorships, Committee Memberships / Chairmanships of all Directors are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

2.2.5. Listed entities in which the Directors hold position as Director other than the Company:

Name of the Director	Name of the Company	Category (*)
Shri. N. Srinivasan	India Cements Limited	ED
Smt. Kavitha Vijay	AVT Natural Products Limited	NEID
	Neelamalai Agro Industries Limited	NEID

*NEID – Non-Executive Independent Director; ED – Executive Director

2.2.6. None of the Independent Director holds directorships in more than seven listed entities and the Managing Director / Whole-Time Director do not serve as an Independent Director in more than three listed entities.

2.3. Details of Board Meetings:

During the financial year 2022-23, the Board met five times viz., 25 May 2022, 10 August 2022, 01 September 2022, 14 November 2022 and 13 February 2023 and the gap between two meetings did not exceed one hundred and twenty days.

Besides, the Independent Directors held a separate meeting on 14 November 2022, in compliance with the provisions of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations.



2.4. **Information placed before the Board of Directors, inter alia, include:**

The Board has complete access to any information within the Company. The information regularly supplied to the Board of Directors includes:

- Annual operating plans and budgets and its updates;
- Capital Budgets and its updates;
- Annual Accounts, Directors' Report, etc.;
- Quarterly Results of the Company;
- Minutes of the meetings of Audit Committee and other committees of the Board;
- The information on recruitment and promotion details of Senior Officers just below the level of the Board of Directors;
- Appointment and removal of Key Managerial Personnel;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, etc.;
- Operational highlights;
- Major investments;
- Award of large contracts;
- Disclosure of interest by Directors about Directorship and committee positions occupied by them in other companies;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly Report on foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement;
- Any significant development in Human Resources / Industrial Relations;
- Non-Compliance of any regulatory, statutory or listing requirements and shareholder's services such as non-payment of Dividend, delay in share transfer etc.;
- Short term investments;
- Information relating to any legal disputes;
- Other materially important information.

2.5. **Code of Conduct:**

The Board of Directors have laid out a Code of Conduct which is applicable to each member of the Board of Directors and Senior Management of the Company. The Company's Code of Conduct embodies its values and expectations to which its corporate standards and employee policies are aligned.

The Company has received confirmation from all the Directors and Senior Management of the Company regarding compliance with the said Code for the year ended 31st March 2023. A certificate from Shri. Vidyashankar Krishnan, Vice Chairman and Managing Director, to this effect is given below. The said Code is also posted on the website of the Company.

https://www.mmforgings.com/uploads/CODE_OF_CONDUCT_FOR_DIRECTORS_AND_SENIOR_MANAGEMENT.pdf

2.6. **Prevention of Insider Trading:**

The Company has framed a code of Conduct for Prevention on trading based on SEBI (Insider Trading) Regulations. This Code is applicable to all Board Members / Officers / Designated Employees. This Code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

2.7. Disclosure of relationships between directors:

Shri. Vidyashankar Krishnan and Shri. K. Venkatramanan are brothers. Smt. Sumita Vidyashankar is wife of Shri. Vidyashankar Krishnan. None of the other Director are related to any other Director on the Board.

2.8. No. of shares held by Non- Executive Directors:

Name of the Director	No. of shares held
Shri. V. Vaidyanathan	7500
Shri. A. Gopalakrishnan	1600
Smt. Sumita Vidyashankar	32800

2.9. Web link where details of familiarisation programmes imparted to independent directors is disclosed:

Familiarization program is made available to the Directors covering such topics on board's role, board's composition and conduct, board's risks and responsibilities, to ensure that they are fully informed on current governance issues.

https://www.mmforgings.com/uploads/Familiarisation_programme/Familirisation_Programme.pdf

2.10. Chart setting out the skills / expertise / competence of the Board of Directors:

The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating to serve on the Board and to function effectively.

Sl. No.	Area of Expertise	Description
1	Leadership / Strategy	Sustainable success in business at a senior executive level. Experience of playing leadership roles in large businesses, with competencies around strategy development & implementation, business administration / operations and Organisations and people management.
2	Financials	Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate finance, and associated risks.
3	Operational Management	Strong knowledge and experience in Forging industry and in managing business operations of a sizeable organization in the business of the particular industry.
4	Governance	Board level experience in reputed organisations, with strong understanding of and experience in directing the management in the best interests of the Company and its stakeholders and in upholding high standards of governance.
5	Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance Company reputation.
6	Technology	An understanding of technology and innovation, and the development and implementation of initiatives to enhance production.
7	Legal / Regulatory	Strong expertise and experience in corporate law and regulatory compliance in India and overseas (including industry specific laws).

While all the Board members possess the identified skill, their domain of core expertise is given in the table below. However, the absence of a mark, against a member's name, does not necessarily mean the member does not possess the necessary qualification other skill.



Name of the Director (Shri. / Smt.)	Area of Expertise						
	Leadership / Strategy	Financials	Busi. ops.	Governance	Sales and Marketing	Tech	Legal / Regulatory
N. Srinivasan	Yes	Yes	Yes	Yes	Yes	Yes	-
Vidyashankar Krishnan	Yes	Yes	Yes	Yes	Yes	Yes	Yes
K. Venkatramanan	Yes	-	Yes	Yes	Yes	Yes	-
A. Gopalakrishnan	-	Yes	Yes	Yes	Yes	Yes	-
Kavitha Vijay	Yes	Yes	Yes	Yes	-	Yes	Yes
Sumita Vidyashankar	Yes	Yes	Yes	Yes	-	Yes	Yes
V. Vaidyanathan	Yes	Yes	Yes	Yes	Yes	Yes	-

2.11. Confirmation Certificate:

This is to affirm that all the independent directors have fulfilled the conditions specified in Listing Regulations and are independent of the management.

2.12. Committees of the Board:

The Board has constituted various committees with primary objective of maintaining strong business fundamentals and delivering high performance through relentless focus on the significant affairs of the Company. Each committee is set up by the formal approval of the Board and is guided by its respective charter which clearly defines their purpose, roles, and responsibilities. The Chairperson of the respective Committee briefs the Board on the summary of the discussions held in the Committee Meetings. The minutes of all the Committee meetings are placed before the Board for its review and noting.

3. Audit Committee:

3.1. Terms of reference:

The Audit Committee has been constituted in line with the provisions of Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013.

The Committee was formed on 16 June 2001 and was re-constituted on 01 April 2015 and 08 November 2021.

3.2. Roles/ Responsibilities of the Audit Committee:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter alia performs the following functions:

- 3.2.1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 3.2.2. Recommending the appointment, remuneration, terms of appointment and removal of Statutory Auditors;
- 3.2.3. Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices and legal requirements concerning financial statements;
- 3.2.4. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- 3.2.5. Reviewing and approving the statement of significant related party transactions;
- 3.2.6. Scrutinizing the inter corporate loans and investments;



- 3.2.7. Evaluating internal financial controls and risk management systems;
- 3.2.8. Approving the appointment and fixing the terms of remuneration of Internal Auditor;
- 3.2.9. Management Discussion and Analysis of financial condition and results of operations;
- 3.2.10. Reviewing the functioning of the whistle blower mechanism;
- 3.2.11. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 3.2.12. Approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- 3.2.13. reviewing the utilisation of loans and / or advances from / investments / by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- 3.2.14. Internal audit reports relating to internal control weaknesses;
- 3.2.15. Any other functions as envisaged under Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 18 of the SEBI Listing Regulations.

3.3. **Composition of Audit Committee, Meetings held during the year and attendance particulars:**

- 3.3.1. During the year under review, the committee met four times on 25 May 2022, 10 August 2022, 14 November 2022 and 13 February 2023.
- 3.3.2. The Composition of Audit Committee as on 31st March 2023 and the details of attendance particulars of Members are given below:

Composition of Audit Committee			Attendance particulars	
Name of the Director	Category of Directorship (*)	Committee Position	No. of Meetings entitled to attend	No. of Meetings attended
Shri. N. Srinivasan	NEID	Chairman	4	1
Shri. V. Vaidyanathan	NEID	Member	4	3
Shri. Vidyashankar Krishnan	ED	Member	4	4
Shri. A. Gopalakrishnan	NEID	Member	4	4
Smt. Sumita Vidyashankar	NENID	Member	4	4
Smt. Kavitha Vijay	NEID	Member	4	4

* NEID – Non-Executive Independent Director; ED – Executive Director;
NENID - Non-Executive Non-Independent Directors

- 3.3.3. The meetings of the Audit Committee are also attended by Chief Financial Officer, Statutory Auditors, Internal Auditors and other Management representatives as special invitees as and when required.

4. **Stakeholders Relationship Committee:**

4.1. **Terms of reference:**

Stakeholders Relationship Committee (SRC) has been constituted in line with the provisions of Regulation 20 of Listing Regulations.

The Committee of the Board was formed on 16 June 2001 and was re-constituted on 01 April 2015 and 08 November 2021.



4.2. Roles/ Responsibilities of SRC:

- 4.2.1. 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/ unclaimed bonus shares etc.
- 4.2.2. Review of measures taken for effective exercise of voting rights by shareholders.
- 4.2.3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
- 4.2.4. 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.
- 4.2.5. Any other terms of reference as may be included from time to time in accordance with SEBI Listing Regulation.

4.3. Composition of SRC, Meetings held during the year and attendance particulars:

- 4.3.1. During the year under review, the committee met four times on 25 May 2022, 10 August 2022, 14 November 2022 and 13 February 2023.
- 4.3.2. The Composition of SRC as on 31st March 2023 and the details of attendance particulars of Members are given below:

Composition of SRC			Attendance particulars	
Name of the Director	Category of Directorship (*)	Committee Position	No. of Meetings entitled to attend	No. of Meetings attended
Shri. V. Vaidyanathan	NEID	Chairman	4	3
Shri. Vidyashankar Krishnan	ED	Member	4	4
Shri. K. Venkatramanan	ED	Member	4	3
Shri. A. Gopalakrishnan	NEID	Member	4	4
Smt. Sumita Vidyashankar	NENID	Member	4	4
Smt. Kavitha Vijay	NEID	Member	4	4

* NEID – Non-Executive Independent Director; ED – Executive Director;
NENID - Non-Executive Non-Independent Directors

4.4. Name and Designation of the Compliance Officer:

Smt. J. Sumathi was the designated Company Secretary and Compliance Officer of the Company till 31 March 2023. With effect from 01 April 2023, Shri. Chandrasekar. S was appointed as Company Secretary and Compliance Officer, who oversees the redressal of investor grievances.

4.5. No. of Investor complaints received and redressed during FY 2022-23 are as follows:

Opening Balance	0
Received during the year	1
Resolved during the year	1
Closing Balance	0



4.6. For Redressal of Investor complaints, complaints can be mailed to:
corporate@mmforgings.com

4.7. Reconciliation of Share Capital Audit:

A Practising Company Secretary carries out Reconciliation of Share Capital (RSC) Audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The reports are being regularly placed before the board for its perusal. The RSC audit reports confirmed that the total issued and listed capital was in agreement with the total number of shares in physical form and in dematerialized form held with NSDL and CDSL.

5. Share Transfer Committee:

The Share Transfer Committee was formed on June 16, 2001. It considers transfer / transmission of shares issued by the Company, issue of duplicate certificates and certificates after split/ consolidation / renewal. During the year, there were eight meetings.

6. Corporate Social Responsibility (CSR) Committee:

6.1. Terms of reference:

The CSR Committee, aims to ensure that corporate social responsibility with a positive impact on people and communities.

The CSR Committee was formed on 01 April 2014. The Committee was reconstituted on 01 April 2015 and 08 November 2021.

6.2. Annual Report of CSR:

6.2.1. Brief outline on CSR Policy of the Company:

The Company continues to focus on its long-term goal believing that while targeting to produce maximum yield for our shareholders during the year, we also lodge our contributions in furthering our responsibilities towards the society and environment. This Policy provides guidance in achieving the above objective and ensures that the Company operates on a consistent and compliant basis.

The CSR activities carried out by the Company are in accordance with the policy as laid down and approved by the CSR Committee. The CSR Policy along with the composition of CSR Committee and CSR projects are available on the Company's website:

https://www.mmforgings.com/uploads/policies/CSR_Policy.pdf

6.2.2. Composition of CSR Committee, Meetings held during the year and attendance particulars:

During the year under review, the committee met four times on 25 May 2022, 10 August 2022, 14 November 2022 and 13 February 2023.



The Composition of CSR Committee as on 31st March 2023 and the details of attendance particulars of Members are given below:

Composition of CSR Committee			Attendance particulars	
Name of the Director	Category of Directorship (*)	Committee Position	No. of CSR Committee Meetings entitled to attend	No. of CSR Committee Meetings attended
Shri. Vidyashankar Krishnan	ED	Chairman	4	4
Shri. V. Vaidyanathan	NEID	Member	4	3
Shri. K. Venkatramanan	ED	Member	4	3
Shri. A. Gopalakrishnan	NEID	Member	4	4
Smt. Sumita Vidyashankar	NENID	Member	4	4

* NEID – Non-Executive Independent Director; ED – Executive Director;
NENID - Non-Executive Non-Independent Directors

6.2.3. Provide the 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, if applicable (attach the report):

Not Applicable

6.2.4. 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: F22 - ₹26.68 lakhs

6.2.5. Details of CSR for the F23 is given below:

Average net profits of the Company for last three financial years	₹ 81.41 Crores
2% of average net profit of the Company	₹ 162.83 lakhs
Total amount spent for the financial year	₹ 189.98 lakhs
Amount unspent (if any)	Nil
Excess spent (if any)	₹ 27.15 lakhs

6.2.6. Manner in which the amount spent during the financial year is detailed below:

(₹ in lakhs)

#	CSR projects or activities identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state, the district where projects or programs are undertaken	Amount outlay (budget) project or program wise	Amount spent on the project / programs Sub-heads; (1) Direct on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period (₹ in lakhs)	Amount spent; Direct or through implementing agency
1	Eradicating hunger and poverty	Livelihood	Tamil Nadu Karnataka & Uttarkand	2.30	2.25	2.25	Direct
2	Education	Education	Tamil Nadu, Maharashtra	30.00	30.00	30.00	Direct
3	Combating diseases	Health	Tamil Nadu	21.00	20.50	20.50	Direct
4	Social business projects	Social Business	Tamil Nadu, Karnataka, Uttar Pradesh & New Delhi,	139.00	135.73	135.73	Direct
5	Gender equality and Empower Women	Women empowerment	Tamil Nadu	1.50	1.50	1.50	Direct
	TOTAL			193.80	189.98	189.98	

6.2.7. 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

6.2.8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:
We hereby state that implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Vidyashankar Krishnan
Chairman of CSR Committee

V. Vaidyanathan
Director



7. Nomination and Remuneration Committee (NRC):

7.1. Terms of reference:

Nomination and Remuneration Committee (NRC) has been constituted in line with the provisions of Regulation 19 of Listing Regulations.

The NRC of the Board was formed on 01 April 2014. The Committee was reconstituted on 01 April 2015, 01 April 2017 and 25 May 2022.

7.2. Composition of NRC, Meetings held during the year and attendance particulars:

7.2.1. During the year under review, the committee met four times on 25 May 2022, 10 August 2022, 14 November 2022 and 13 February 2023;

7.2.2. The Composition of NRC as on 31st March 2023 and the details of attendance particulars of Members are given below:

Composition of NRC			Attendance Particulars	
Name of the Director	Category of Directorship (*)	Committee Position	No. of Meetings entitled to attend	No. of Meetings attended
Shri. V. Vaidyanathan	NEID	Chairman	4	3
Shri. N. Srinivasan	NEID	Member	4	1
Shri. A. Gopalakrishnan	NEID	Member	4	4
Smt. Kavitha Vijay	NEID	Member	4	4
Smt. Sumita Vidyashankar	NENID	Member	3**	3

* NEID – Non-Executive Independent Director; ED – Executive Director;
NENID - Non-Executive Non-Independent Directors

** The Board of Directors had re-constituted the NRC by inducting Smt. Sumita Vidyashankar as Member in their meeting held on 25 May 2022.

7.3. Role and Scope of NRC:

7.3.1. To identify and recommend to the Board for the appointment / removal of Director(s), Key Managerial Personnel and Senior Managerial Personnel of the Company;

7.3.2. To recommend to the Board a Policy for remuneration of Director(s), Key Managerial Personnel and other Senior Managerial Personnel of the Company;

7.3.3. To formulate the criteria for determining qualifications, positive attributes and independence of a director;

7.3.4. To evaluate the performance of the Director and providing necessary report to the Board for its evaluation and consideration.

7.4. Performance evaluation criteria for non-executive Directors:

The performance evaluation of the Board as a whole was assessed based on the criteria like its composition, size, mix of skills and experience, its meeting sequence, effectiveness of discussion, decision making, follow-up action, quality of information, governance issues, performance and reporting by various committees set up by the Board.



Evaluation of Non-Executive Directors shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Matters taken into consideration for performance evaluation:

- role and fiduciary responsibilities as a Board member;
- Attendance and active participation in meetings;
- contribution and recommendations given professionally;
- Safeguarding the confidential information;
- Unbiased opinion for issues raised in the meetings;
- New ideas and suggestions made for the Company;
- Any other matters;

7.5. **Remuneration Policy:**

The Nomination and Remuneration Policy framed and approved by Board of Directors has been placed on the website of the Company in the web link provided below. The present Human Resource Policy of the Company considers human resources as its invaluable assets and has as its objective the payment of remuneration to all its employees, including Directors, Key Managerial Personnel and Senior Management, appropriate to employees' role and responsibilities and the Company's goals based on the performance of each of its employees in the Company.

[https://www.mmforgings.com/uploads/policies/Nomination_and_Remuneration_Policy_\(amended\).pdf](https://www.mmforgings.com/uploads/policies/Nomination_and_Remuneration_Policy_(amended).pdf)

8. **Whistle Blower Protection Committee:**

8.1. Whistle Blower Policy: A Whistle Blower Policy has been framed by the Board of Directors for employees to report to the Management:

8.1.1. Instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Ethics;

8.1.2. Any event of misconduct, act of misdemeanour or act which is/are not in the interest of the Company, which could affect the business or reputation of the Company.

8.2. Date of Meetings:

During the year under review, the Committee had 4 meetings held as follows:

25 May 2022, 10 August 2022, 14 November 2022 and 13 February 2023.

8.3. Formation, Composition and Attendance of Whistle Blower Committee Meetings:

The Committee of the Board was formed on 01 April 2014.

Composition: Shri. Vidyashankar Krishnan (Chairman)

Other Members: Shri. K. Venkatramanan, Shri. Ramnath Nagarajan, Shri. Krishnakumar Raman and Smt. Sumita Vidyashankar.

All the members have attended the entire meetings held during the year.

8.4. The Committee has not received any Whistle Blower complaint in the current year.



9. Risk Management Committee:

9.1. Brief description and terms of reference:

Pursuant to the amendment made by SEBI, the Risk Management Committee (RMC) was constituted with effect from 21 June 2021 in line with the provisions of Regulation 21 of Listing Regulations. The Committee was further re-constituted on 25 May 2022.

The Company has an established Risk Management Policy which formalizes its approach to the oversight and management of material business risks. The policy attempts to identify and manage threats that could severely impact or bring down the organization. Generally, this involves reviewing operations of the organization, identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats. Risks and effectiveness of management are internally reviewed and reported regularly to the Board.

9.2. Composition of RMC, Meetings held during the year and attendance particulars:

9.2.1. During the year under review, the committee met four times on 25 May 2022, 10 August 2022, 14 November 2022 and 13 February 2023;

9.2.2. The Composition of RMC as on 31st March 2023 and the details of attendance particulars of Members are given below:

Composition of RMC		Attendance Particulars	
Name of the Member	Committee Position	No. of Meetings entitled to attend	No. of Meetings attended
Shri. Vidyashankar Krishnan	Chairman	4	4
Shri. K. Venkatramanan	Member	4	3
Shri. A. Gopalakrishnan	Member	4	4
Smt. Kavitha Vijay	Member	4	4
Smt. Sumita Vidyashankar	Member	4	4
Shri. Ramnath Nagarajan*	Member	4	4
Shri. Krishnakumar Raman*	Member	4	4

* Senior Managerial Personnel

10. CEO and CFO Certification:

The Vice Chairman and Managing Director and the Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Regulation 33 of the Listing Regulations for the financial year ended 31st March 2023.

11. Directors' Remuneration:

11.1. Remuneration to Executive Directors:

The remuneration payable to the Executive Directors, Shri. Vidyashankar Krishnan, Vice Chairman and Managing Director and Shri. K. Venkatramanan, Joint Managing Director is fixed by the Board and are within the limits approved by the Shareholders in terms of the relevant provisions of the Companies Act, 2013.



(Amount in ₹.)

Particulars	Shri. Vidyashankar Krishnan		Shri. K. Venkatramanan	
	2022-23	2021-22	2022-23	2021-22
Salary and allowance	3,31,73,493	3,26,97,826	3,28,32,949	3,26,97,826
Commission	4,75,00,000	3,20,00,000	4,75,00,000	3,20,00,000
Perquisites				
Provident Fund	22,50,924	22,50,924	22,50,924	22,50,924
Superannuation	27,00,000	20,25,000	27,00,000	20,25,000
Gratuity	7,38,000	5,35,500	7,38,000	5,35,500
Others	40,654	20,012	50,489	12,428
Total	8,50,53,071	6,95,29,262	8,47,22,362	6,95,21,678

11.2. Remuneration of Non – Executive Directors (NEDs):

Name of NEDs	Commission (₹)		Sitting Fees (₹)		Total (₹)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Shri. N Srinivasan	-	-	15,000	67,500	15,000	67,500
Shri. V. Vaidyanathan	5,00,000	4,00,000	70,000	1,02,500	5,70,000	5,02,500
Shri. A. Gopalakrishnan	5,00,000	4,00,000	90,000	1,10,000	5,90,000	5,10,000
Smt. Kavitha Vijay	5,00,000	4,00,000	90,000	40,000	5,90,000	4,40,000
Smt. Sumita Vidyashankar	5,00,000	4,00,000	95,000	40,000	5,95,000	4,40,000

No benefits by way of remuneration or otherwise is received by Non-Executive Directors other than above.

11.3. All pecuniary relationship of Non-Executive Directors: Nil

11.4. Criteria of making payments to Non-Executive Directors:

The Company benefits from the expertise, advice and inputs provided by NEDs. NEDs devote their valuable time in deliberating on strategic and critical issues in the course of Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company, from time to time and hence NEDs are being paid by way of sitting fees and commission.

12. **Subsidiary Companies:**

As on 31st March 2023, the Company has three wholly-owned subsidiaries viz., D V S Industries Private Limited, Cafoma Autoparts Private Limited and Suvarchas Vidyut Private Limited and one Subsidiary Company viz., Abhinava Rizel Private Limited.



13. General Meetings:

13.1. Location and time, where last three AGMs held:

Financial Year	Date	Time	Location / Mode
2019-20	29 Sept 2020	12.30 P.M.	Video Conferencing, Chennai
2020-21	13 Sept 2021	12.30 P.M.	Video Conferencing, Chennai
2021-22	04 July 2022	03.00 P.M.	Video Conferencing, Chennai
2022-23	11 August 2023	04.30 P.M.	Video Conferencing, Chennai

13.2. Special Resolutions passed in the previous 3 AGMs:

Year	Details of Special Resolution passed
2019-20	Nil
2020-21	Nil
2021-22	Change in Object clause of the Memorandum of Association of the Company.

13.3. Whether any special resolution passed last year through postal ballot:
Nil

14. Means of Communication:

- 14.1. The quarterly, half yearly and annual results of the Company's performance are published in financial dailies viz., Business line and Makkal Kural;
- 14.2. The financial results and the shareholding pattern for every quarter are uploaded in the website framed in this regard by the Bombay Stock Exchange Ltd and National Stock exchange Ltd. in the prescribed form, which would enable them to place it on their website viz., www.bseindia.com and www.nseindia.com respectively;
- 14.3. The financial result, official news releases and presentation made to Institutional Investors and such other details as may be required under Regulation 46 of the SEBI Listing Regulations are displayed on the website of the Company viz., www.mmforgings.com.

15. General shareholder information:

15.1. Date, time and venue of the Annual General Meeting:
Annual General Meeting is scheduled to be held through video conferencing or audio-visual means on Friday, 11 August 2023 at 04.30 p.m. (IST)

- 15.2. Financial year : 1st April to 31st March
 Financial Calendar : 2023-24
 Financial Reporting : Financial Calendar against for quarter ending:
 30th June 2023 : Before 14th August 2023
 30th September 2023 : Before 14th November 2023
 31st December 2023 : Before 14th February 2024
 31st March 2024 : Before 30th May 2024

15.3. Particulars of dividend payment:
 Particulars of dividend declaration / payment are disclosed in the Directors' Report. Dividends were declared in compliance with the Dividend Distribution Policy of the Company.
 Record date and book closure during the year:
 Record date for payment of dividend: 07 June 2022.



Dividend Distribution Policy:

The Board approved Dividend Distribution Policy is hosted in Company website and the link:

https://www.mmforgings.com/uploads/policies/Dividend_Distribution_Policy.pdf

15.4. Listing on Stock Exchanges:

Name and Address of the Stock Exchanges	Scrip Code / Symbol
BSE Limited (BSE) Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001, India.	Scrip Code: 522241 Name of the Scrip: MMFORG
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. India	Scrip Code: MMFL Name of the Scrip: MMFL - EQ

Note: Annual listing fee were duly paid to the above respective stock exchanges.

15.5.

Depository Connectivity	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
ISIN allotted by depositories for the Company's equity shares in Demat form	INE227C01017

Note: Custodian charges for the Financial Year 2022-23 and 2023-24 were duly paid to the above respective Depositories within the due date.

15.6. Registrar and Transfer Agents (RTA):

Cameo Corporate Services Limited, Unit: M M Forgings Limited,

“Subramanian Building”, Fifth Floor, No. 1, Club House Road, Chennai – 600 002.

T: 044-40020723; F: 044-40020726.

They are the Common Agency for all Investor Servicing activities relating to both electronic and physical segments.

- All matters connected with share transfer, dividend and other matters are being handled by RTA located at the address mentioned above;
- Registrar and Share Transfer Agent (RTA) arrange for issue of dividend. They reconcile the Dividend paid with that of the list of the shareholders;
- Grievances received from investors and other miscellaneous correspondence relating to change of addresses, mandates etc., are attended and processed in top priority by both secretarial department and RTA;
- Demat requests are processed within the time prescribed;
- The Company's RTA, Cameo Corporate Services Limited have adequate infrastructure;
- Reminders are sent to the shareholders Share Transfer Agents in case of Undelivered Bonus shares, updating the KYCs and nomination forms.



15.7. Share Transfer System:

Pursuant to amendment in Regulation 40(1) of the SEBI Listing Regulations, no shares can be transferred in physical mode and any request for transfer of shares shall be processed for shares held in dematerialised form only.

Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz., Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Sub-division/Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. The shareholders holding shares in physical form are requested to make service request by submitting a duly filled and signed Form ISR-4, the format of which is available at Company website www.mmforgings.com under Investors/General Shareholder Information and on the website of RTA. It may also be noted that any service request can be processed only after the folio is **KYC compliant**.

The Company had sent appropriate communication to the shareholders encouraging them to dematerialise their holdings in the Company and to complete the KYC compliance. Shareholders holding shares in physical form are advised to complete the KYC process and also to avail the facility of dematerialisation.

As per Regulation 40(9) of the Listing Regulations, the Company has obtained certificate from the Company Secretary in Practice for compliance of share transfer formalities and the same was submitted to the Stock Exchanges for the year ended 31st March 2023 within the stipulated time.

15.8. Distribution of shareholding as on 31st March 2023:

Shareholding (Range)	No. of Shareholders	% of shareholders	No. of shares held	% of shares
Up to 5000	13,892	90.65	1,01,50,010	4.20
5001-10000	835	5.45	64,36,860	2.67
10001-20000	292	1.91	44,18,420	1.83
20001-50000	156	1.02	51,11,200	2.12
50001-100000	59	0.38	42,96,830	1.78
100001 & above	91	0.59	21,09,94,680	87.40
Total	15,325	100.00	24,14,08,000	100.00

15.9. Shareholding pattern as on 31st March 2023:

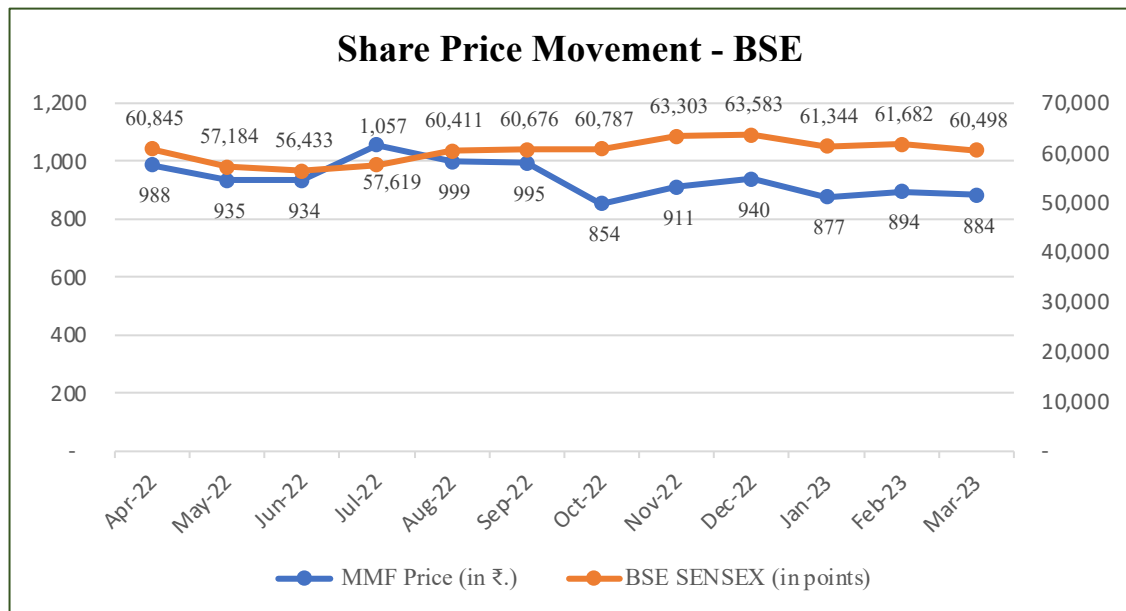
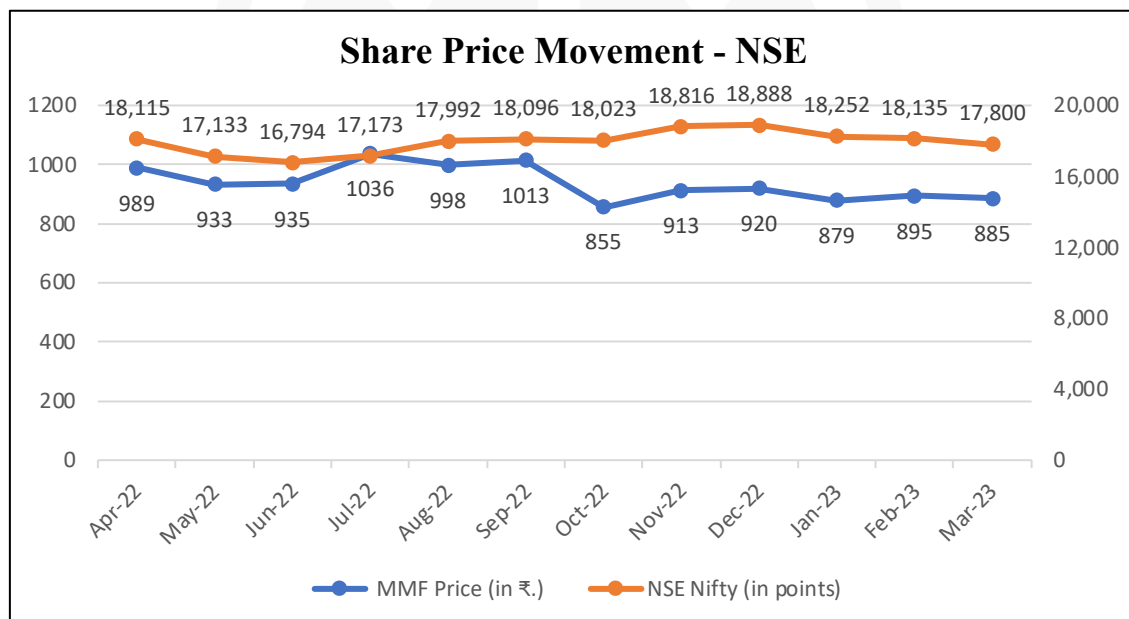
Category of Shareholder	No. of shareholders	%	No. of shares held	% of share holding
Promoter Shareholding				
A. Promoter and Promoter Group	11	0.07	1,35,99,895	56.34
Total (A)	11	0.07	1,35,99,895	56.34
Public Shareholding				
B. Institutions				
Mutual Fund	23	0.15	40,57,437	16.81
Foreign Institutional Investor	1	0.01	100	-
Foreign Portfolio Investors	23	0.15	3,98,279	1.65
Alternative Investment Fund	1	0.01	50,000	0.21
Total (B)	48		45,05,816	18.67
C. Non-Institutions				
Resident Indians	14,548	94.93	54,40,186	22.54
Bodies Corporate	175	1.14	4,09,329	1.70
Non-Resident Indians	532	3.47	1,79,394	0.74
Key Managerial Personnel	2	0.01	2,400	0.01
Clearing Members	7	0.05	559	0.00
Trust	1	0.01	800	0.00
IEPF	1	0.01	2,421	0.01
Total (C)	15,266	99.62	60,35,089	25.00
Total Public Shareholding (B+C)	15,314	99.93	1,05,40,905	43.66
Grand Total (A+B+C)	15,325	100.00	2,41,40,800	100.00

15.10. Share price data for the year 2022-23:

Month	Bombay Stock Exchange		National Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2022	988	814	989	811
May 2022	935	777	933	775
June 2022	934	782	935	781
July 2022	1057	826	1036	826
August 2022	999	889	998	875
September 2022	995	746	1013	746
October 2022	854	731	855	730
November 2022	911	742	913	740
December 2022	940	776	920	771
January 2023	877	818	879	817
February 2023	894	801	895	800
March 2023	884	805	885	802



15.11. Share price performance in comparison to broad based indices - BSE SENSEX and NSE NIFTY:

Share Performance BSE vs SENSEX:**Share Performance NSE vs NIFTY:**

15.12. Dematerialisation of shares:

Particulars	No. of shares	No. of shares in demat form
Promoter and promoter group	1,35,99,895	1,35,99,895
Person other than promoters	1,05,40,905	1,01,46,327
Total	2,41,40,800	2,37,67,588
%		98.45%



- 15.13. Details of public funding obtained in the last three years:
No capital has been raised in the last three years by way of public issue.
- 15.14. Outstanding GDRs / ADRs / Warrants or any convertible instruments etc.:
As on 31st March 2023, the Company has not issued these types of securities / instruments.
- 15.15. Plant locations:
Plant 1 - Singampunari – 630 502, Tamil Nadu
Plant 2 - Viralimalai – 621 316, Tamil Nadu
Plant 4 - Mathur Post – 602 105 Tamil Nadu
Plant 7 - Industrial Automation Division - 600 058, TN
Plant 8 - Rudrapur - 263 153 Uttarkand
(D V S Industries Private Ltd, - wholly-owned Subsidiary Company)
Plant 9 - Kursi Road, Barabanki, UP 225001
Plant 10 - Ranipet – 632403, TN
(Cafoma Autoparts Private Limited- wholly-owned Subsidiary Company)
Plant 11 – Walajabad, Kancheepuram district – 631604, Tamil Nadu
(Abhinava Rizel Private Limited – Subsidiary Company)

Plant 5 – Wind farms

- W1 - Panakudi - 627109 Tamil Nadu
W2 - Theni District - 625 531 Tamil Nadu
W3 - Tenkasi - 627 811 Tamil Nadu
W4 - Kallapalayam 641 201 Tamil Nadu

Plant 6 - Solar sites

- S1 - Aruppukottai - 626105 Tamil Nadu
S2 - Viralimalai - 621 316 Tamil Nadu

- 15.16. Address for correspondence:

Registered Office	MM Forgings Limited ‘SVK TOWERS’, A25, 8th Floor, Industrial Estate, Guindy, Chennai – 600032
For Investors	Cameo Corporate Services Limited, Unit: M M Forgings Limited, “Subramanian Building”, Fifth Floor, No. 1, Club House Road, Chennai – 600 002. T: 044-40020723; F: 044-40020726
Email id for redress of Investor complaints	corporate@mmforgings.com
Website	www.mmforgings.com

- 15.17. Compliance Officer:
Till 31st March 2023 : Smt. J. Sumathi, Company Secretary
Effective 1st April 2023 : Shri. Chandrasekar. S, Company Secretary



15.18. Credit Ratings:

Facilities	Amount (₹ in Cr.)	Rating	Rating Action
Long-term Bank facilities	439.19	CARE A; Stable (Single A; Outlook: Stable)	Reaffirmed
Short-term bank Facilities	173.00	CARE A; Stable / CARE A1 (Single A; Outlook: Stable / A One)	Reaffirmed
Long-term/ Short-term bank facilities	171.00	CARE A1 (A One)	Reaffirmed
Total	783.19		

15.19. Details of Bonus shares unclaimed:

No. of shareholders at the beginning of the year - 147;
 No. of outstanding shares at the beginning of the year - 76,900 shares;
 No. of shareholders who approached the issuer for transfer of these shares during the year - 1;
 No. of shareholders to whom shares were transferred - 1;
 No. of shares transferred during the year - 400;
 No. of shareholders at the end of the year -146;
 No. of outstanding shares at the end of the year - 76,500 shares;

15.20. Shares Transferred to IEPF account of the Government:

Shares transferred under IEPF account of the government (taken the basis of 2016 dividend unclaimed) – Common shareholder shares were transferred to IEPF account during the year. The list of shareholders, whose shares have been transferred to IEPF account (for the earlier years) is available on the Company's website.

15.21. Suspense Escrow Demat Account:

SEBI, vide its letter No. SEBI/HO/MIRSD/POD-1/OW/P/2022/64923 dated 30 December 2022, had issued Guidelines with respect to procedural aspects of 'Suspense Escrow Demat Account' to be opened by listed entities pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/6 dated 25 January 2022. The Company opened the 'MM Forgings Limited - Suspense Escrow Demat Account' within the stipulated timeline.

15.22. Norms for Updating KYC, Bank details and Nomination:

Pursuant to Circular dated March 16, 2023, SEBI has mandated all the listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. **The folios wherein any one of the cited documents/details is not available on or after 01 October 2023, shall be frozen by the RTA.**

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any services, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.



The forms for updating the PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available in the general Shareholders Information section in the Company's website www.mmforgings.com. Members who are holding shares in physical form are requested to submit the required forms along with the supporting documents at the earliest.

As specified in the above SEBI circular, the Company had sent letters on 25 May 2023, to the Members who holds shares in physical form, intimating them to update KYC documents. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

16. Other Disclosures:

- 16.1. Disclosures under materially significant related party transactions that may have potential conflict with the interests of the Company: None
- 16.2. Details of Non-Compliance, Penalties, Structures imposed on any matter connected with Capital market, during the last three years:
The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or other statutory authorities relating to the above.
- 16.3. Whistle Blower Policy:
The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The said policy has also been put up on the Company website.
- 16.4. All mandatory requirements have been disclosed and some non-mandatory requirements have been adopted;
- 16.5. Material Subsidiary:
The Board has duly formulated a policy for determining material subsidiaries. For the FY 2022-23, the Company has no material subsidiary. The policy for determining material subsidiary is disclosed in Company website. The Web link is provided below:
https://www.mmforgings.com/uploads/policies/Policy_on_Material_Subsidiaries1.pdf
- 16.6. Related Party Transactions Policy:
Pursuant to Regulation 23 of the SEBI Listing Regulation, the Board has framed a policy of Related party transactions. Copy of the said Policy is available on the Company's website in the link provided below:
https://www.mmforgings.com/uploads/policies/Policy_on_Related_Party_Transactions.pdf
- 16.7. Commodity price risk and hedging activities: No hedging activities have been undertaken for commodity risk;



- 16.8. Certificate from Practicing Company Secretary:
The Company has received a certificate from the Secretarial Auditor of the Company stating that none of the directors on the Board of the Company 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.
- 16.9. During the financial year, there was no instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required;
- 16.10. Total fees for all services paid by the Company and its subsidiary Company on a consolidated basis to the statutory auditor: ₹21.54 lakhs.
- 16.11. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to provide a friendly working environment that ensures every employee gets equal treatment. The details of the same have been disclosed in the Directors' Report forming part of the Annual Report. During the year 2022-23, the Company has not received any complaint in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- 16.12. Related Party Transactions:

Name of the Company / Directors Interested	Nature of transactions	FY 2022-23 (₹ in lakhs)	FY 2021-22 (₹ in lakhs)
D V S Industries Private Limited, Wholly-Owned Subsidiary	Loan given / (repaid)	(169.13)	352.95
Suvarchas Vidyut Private Limited, Wholly-Owned Subsidiary	Loans made	822.21	-
Universal Legal (Interested Director – Smt. Kavitha Vijay)	Legal Consultancy paid	16.36	2.05

Directors and Key Managerial Personnel are considered to be interested to the extent of their shareholding in the Company and following is the status of their shareholding as on 31st March 2023

Name	Category	No. of Shares	% to total
Shri. Vidyashankar Krishnan	Executive Director	27,20,240	11.27
Shri. K. Venkatramanan	Executive Director	25,84,960	10.71
Smt. Sumita Vidyashankar	Non-Executive Director	32800	0.14
Shri. V. Vaidyanathan	Non-Executive Director	7500	0.03
Shri. A. Gopalakrishnan	Non-Executive Director	1600	0.01
Shri. R. Venkatakrishnan	Chief Financial Officer	2400	0.01
Smt. J. Sumathi	Company Secretary	400	-

Related party Transactions which are material in nature: None

As on 31st March 2023, the Company does not have any material subsidiaries.



- 16.13. The Company has separate person to the post of Chairperson and CEO;
- 16.14. The necessary 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 have been complied.

Compliance with Code of Business Conduct and Ethics:

**To,
The Shareholders of M M Forgings Limited,**

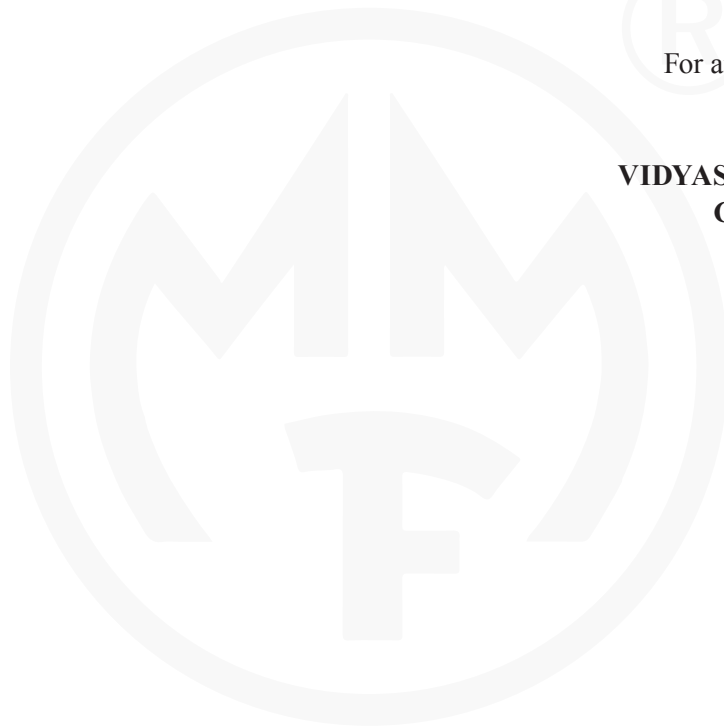
M M Forgings Ltd has laid down a code of conduct for all Board members and Senior Management. All the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, for the financial year ended 31st March 2023.



For and On behalf of the Board

Place: Chennai
Date: 17 May 2023

VIDYASHANKAR KRISHNAN
Chairman of the Meeting
(DIN 00081441)



ANNEXURE IV – Auditors’ Certificate on Corporate Governance:

To
The Members of MM Forgings Limited

We have examined the compliance of conditions of Corporate Governance by M M Forgings Limited (‘the Company’) for the year ended 31st March 2023 as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulation’) The Compliance of conditions of Corporate Governance is the responsibility of the Management.

Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of Regulation 46 and paragraphs C, D, and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on Use

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For G Ramesh Kumar & Co.,
Chartered Accountants**
Firm Registration No. 003010S

G. Ramesh Kumar, FCA
Partner
Membership No. 018663
UDIN: 23018663BGUFZJ1115

Place: Tiruchirapalli
Date: 17 May 2023



Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification:

We hereby certify that:

We, Vidyashankar Krishnan, Vice Chairman and Managing Director and R. Venkatakrishnan, Chief Financial Officer certify that:

1. We have reviewed the financial statements and cash flow statement prepared based on Indian Accounting Standards for the year ended 31st March 2023 and to the best of our knowledge and belief:
 - 1.1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 1.2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2023 are fraudulent, illegal or violates the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
 - 4.1. there has not been any significant change in internal control over financial reporting during the year under reference;
 - 4.2. there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 4.3. there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Chennai
Date: 17 May 2023

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN 00081441)

R. Venkatakrishnan
Chief Financial Officer

Declaration to the Members pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

M M Forgings Ltd has laid down a code of conduct for all Board members and Senior Management.

All the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, for the Financial Year ended 31st March 2023.

For and On behalf of the Board

VIDYASHANKAR KRISHNAN
Chairman of the Meeting
(DIN 00081441)

Place: Chennai
Date: 17 May 2023


ANNEXURE V – to the Directors’ Report:
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT
SECTION A: GENERAL DISCLOSURES
I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51102TN1946PLC001473
2.	Name of the Listed Entity	MM Forgings Limited
3.	Year of incorporation	1946
4.	Registered office address	“SVK Towers” A 24/25, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 600032
5.	Corporate address	“SVK Towers” A 24/25, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 600032
6.	E-mail	corporate@mmforgings.com
7.	Telephone	+91-44-71601000
8.	Website	www.mmforgings.com
9.	Financial year for which reporting is being done	FY 2022-23
10.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange National Stock Exchange
11.	Paid-up Capital	₹ 24,14,08,000 (24140800 shares of ₹10/- each)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name : Chandrasekar. S Designation : Company Secretary & Compliance Officer Telephone : +91-44-71601000 Email address : corporate@mmforgings.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on standalone basis.

II. Products/services:**14. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business activity	% of Turnover of the entity
1.	Manufacturing	Metal and Metal Products	98.99%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Metal Forgings	25910	98.99%

Note: Three key products that the Company manufactures under Metal Forgings are Front Axle Beam, Knuckle and Crankshaft.

III. Operations:**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of Offices	Total
National	11*	1	12
International	0	0	0

* Includes Windfarm and solar sites

17. Markets served by the entity:**a. Number of locations**

Locations	Number
National (No. of states)	36
International (No. of countries)	15
b. What is the contribution of exports as a % of the total turnover of the entity?	35%
c. A Brief on types of Customers	<p>Company is a leading world class manufacturer of metal forgings with pan India presence and caters to customers across the globe to varied industrial segments such as commercial vehicles, passenger cars, off highway, value/oilfield, agricultural and engineering component segments.</p> <p>Some of MMF's largest customers include TATA Motors, Ashok Leyland, Axles India, Daimler Group, Hyundai Group, Fortuna, Wheels India, Megaltech, Renault etc., The Company also has an extensive collaboration with major truck manufacturers.</p>



IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1131	1124	99.38%	7	0.62%
2.	Other than Permanent (E)	496	492	99.19%	4	0.81%
3.	Total Employees (D+E)	1627	1616	99.32%	11	0.68%
WORKERS						
4.	Permanent (F)	810	809	99.88%	1	0.12%
5.	Other than Permanent (G)	1285	1086	84.51%	199	15.49%
6.	Total Workers (F+G)	2095	1895	90.45%	200	9.55%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total Employees (D+E)	1	1	100%	-	-
WORKERS						
4.	Permanent (F)	6	6	100%	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total Workers (F+G)	6	6	100%	-	-

19. Participation / Inclusion / Representation of women:

Particulars	Total (A)	No. and % of females	
		No (B)	% (B/A)
Board of Directors	7	2	28.57%
Key Managerial Personnel*	3	1	33.33%

* Key Managerial Personnel is as per section 2(51) of the Companies Act, 2013.

20. Turnover rate for permanent employees and workers:

Particulars	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.06	-	3.06	3.04	-	3.04	2.58	-	2.58
Permanent Workers	7.14	-	7.14	7.09	-	7.09	6.03	-	6.03

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. a. Name of the holding / subsidiary / associate companies / joint ventures (A)**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	D V S Industries Private Limited	Wholly-owned Subsidiary	100%	No
2	Cafoma Autoparts Private Limited	Wholly-owned Subsidiary	100%	No
3	Suvarchas Vidyut Private Limited	Wholly-owned Subsidiary	100%	No
4	Abhinava Rizel Private Limited	Subsidiary	88%	No

VI. CSR Details:**22. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes**

- Turnover: ₹ 1,395.11 Crores
- Net worth: ₹ 688.74 Crores
- CSR Spent during FY 2022-23 - ₹162.83 lakhs



VII. Transparency and Disclosures Compliance:

23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is Received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	Financial Year 2022-23			Financial Year 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes Whistle Blower Policy and Employee grievance policy are available in the link https://www.mmforgings.com/Investors/policies	Nil	Nil	-	Nil	Nil	-
Investors (Others than shareholders)		NA	NA	The Company doesn't have investors other than its shareholders	NA	NA	The Company doesn't have investors other than its shareholders
Shareholders		1	Nil	-	Nil	Nil	-
Employees and workers		Nil	Nil	-	Nil	Nil	-
Customers		43	Nil	Corrective Action procedure is documented and compliance is monitored with the objective of recurrence prevention.	30	Nil	Corrective Action procedure is documented and compliance is monitored with the objective of recurrence prevention.
Value Chain Partners		Nil	Nil	-	Nil	Nil	-
Others (please specify)		Nil	Nil	-	Nil	Nil	-

24. Overview of the entity's material responsible business conduct issues:

S. No	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate / positive / negative implications)
1	Health, safety and Environment	Risk and opportunity	<p>Risk: Health and Safety is a critical aspect for ensuring employee welfare. Non-compliance with appropriate safety standards can attract high frequency of health and safety incidents;</p> <p>Opportunity: A robust EHS management system with appropriate hazard identification, mitigation plan and root cause analysis will showcase Company's commitment towards employee safety, increased productivity and motivation.</p>	<ul style="list-style-type: none"> Implementation of company-wide robust EHS management system ensuring zero harm to life; Providing training to all the employees and workers on safe working practices; Ensuring periodic inspection and audit; Investigation of each reported case and preparation of remedial action. 	Incidents of occupational health and safety management system may cause loss in man-days and further impact productivity of operations. It can also demoralize workers which can reduce motivation and productivity.
2	Disaster Recovery	Risk	Business interruption due to natural calamities like earthquakes, cyclones, floods, lockdowns etc.,	<ul style="list-style-type: none"> Adequate protection plan against calamities including appropriate insurance were taken. 	Disruption to business operations if any will have negative impact on the financials.
3	Information Systems and Data protection	Risk	Risk of confidential data leakage	<ul style="list-style-type: none"> All privileged system access is reviewed periodically and data leakage prevention system are implemented.; Restricted data access control and data encryption to monitor the work activities implemented. 	Impacts the Brand reputation in the industry



4	Climate change	Risk / Opportunity	<p>Risk: Increase in cost of operations and possible reduction in demand due to market conditions;</p> <p>Opportunity: Actively seeking new products, new customers to bring in new business.</p>	<ul style="list-style-type: none"> • Various cost control initiatives were taken to mitigate the operational cost risk; • Concentrating on development of new products to bring in new business. 	<ul style="list-style-type: none"> • Increase in material and operational cost - negative impact in the financials; • Identifying and developing the new product will boost up the business and thereby increasing the turnover – positive impact.
5	Human Resources development - Training and Education	Opportunity	<p>Fostering a culture which integrates diversity, inclusion, employee well-being and training and development will attract and retain employees.</p> <p>The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of injury.</p>	<ul style="list-style-type: none"> • Creating bench and identifying next rung of leaders.; • Providing a need based and innovative range of training courses. 	Positive impact
6	Waste Management	Risk	<p>Poor waste management can lead to non-compliance with legal requirements for waste disposal.</p>	<ul style="list-style-type: none"> • Implementation of robust waste management system incorporating initiatives that ensure hazardous waste management and responsible disposals. 	Non-compliance with regulatory norms on waste management can lead to fines and penalties.
7	Social Impact	Opportunity	<p>Aligning CSR activities with the needs of the community can create a positive impact which can unlock goodwill and social license to operate.</p>	<ul style="list-style-type: none"> • The Company has undertaken several CSR initiatives for overall development of the community in the field of promoting education, preventive healthcare and environmental sustainability. 	Community upliftment is a critical aspect for elevating brand value which in turn can increase the demand of Company's product



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

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

Principle 1	Ethics, Transparency and Accountability	Principle 6	Environment
Principle 2	Products Sustainability and safety	Principle 7	Public Policy
Principle 3	Employees' Well being	Principle 8	Inclusive Growth and equitable development
Principle 4	Stakeholder Engagement	Principle 9	Customer Relations
Principle 5	Human Rights		

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	Policies on Whistle blower, Nomination and Remuneration CSR, HR, Insider Trading, Related Party etc., are available on Company's website: https://www.mmforgings.com/Investors/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name the national and international codes / certifications/ labels/ standards	IATF 16949:2016 and ISO 9001:2015								



5. Specific commitments, goals, targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	N	N	N	N	N	N	N	N	N

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	<p>Dear Stakeholders,</p> <p>It gives immense pleasure to present our first edition of the Business Responsibility and Sustainability Report (BRSR). As we strive to maintain commanding position in the industry, we prioritize sustainability, operational resilience and organizational agility as part of its goal to rejuvenate the Company for the next phase of development. We stay committed in our mission to create a positive future to all.</p> <p>In line with the above and with our Company's value of teamwork, we undertook multi-stakeholder approach to identify key material issues for the business. Accordingly, we strive to implement best practices and disclosures around identified material issues and ensure that any negative impact on business operations is mitigated appropriately.</p> <p>Currently, we are in the process to give our Environment, Social and Governance (ESG) commitment a systematic structure in the form of sustainable practices, policies and targets. Such initiatives foster a culture of inclusion, diversity, ethical behaviour, and an opportunity to reduce our environmental footprint. We remain steadfast in implementing the concepts and sustainability across our value chain as we expand our area of positive social effect and serve more markets. Through safe and high-quality material, we will continue to offer affordability and accessibility to transformational satisfying solutions.</p>
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Shri. Vidyashankar Krishnan Vice Chairman and Managing Director DIN: 00081441 Phone: 044-71601000 Email: mdo@mmforgings.com</p>
9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Shri. Vidyashankar Krishnan Vice Chairman and Managing Director</p>

10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	The policies are reviewed internally on a periodic basis.																	
Compliance with statutory Requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable statutory requirements.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency	The Policies on Quality, Safety, Health and Environment are subject to internal and external audits as part of the ISO Systems certification process and ongoing periodic assessments. Other policies are periodically evaluated for their efficacy through Internal Audit mechanism.								

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:
 Not applicable as all principles are covered by respective policies.

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1:

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable:

ESSENTIAL INDICATORS:

1. % coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programme held	Topics/principles covered under the training and its impact	% Of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel (KMP)	2	Familiarisation programmes are carried out by way of exhaustive presentations on various topics including Risk Management, CSR, Whistle Blower Mechanism, Anti Money Laundering and Code of Conduct of the Company, interactions with institutional investors, etc.,	100%
Employees other than Board of Directors or KMPs	All employees and workers undergo training programmes on a regular basis in the areas of skill upgradation, process orientation, Stress Management, Team building, 5S implementation, POSH, soft skill development and safety. These trainings are imparted both by the internal senior management as well as by external consultants.		100%
Workers			100%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year:
No fines/penalties/punishment/award/compounding fees/settlement amount were paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions during the financial year.
3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or nonmonetary action has been appealed.
Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has an Anti-Corruption Compliance Policy which commands strict actions against anyone caught engaging in such unethical behaviour. The Company also has Whistle-Blower Policy, Code of conduct for the Board and Senior Management and Code of Conduct for Employees and Vendors. The policies are available on the website of the Company at:

<https://www.mmforgings.com/Investors/policies>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:
No disciplinary action was taken by any law enforcement agency against any of the Company’s Directors, KMPs, employees or workers for the charge of bribery or corruption.
6. Details of complaints with regard to conflict of interest:
No complaints registered with regard to conflict of interest during the financial year.
7. Provide details of any corrective action taken or under way on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.
Not applicable.

LEADERSHIP INDICATORS:

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.
The Company is committed to conducting business in an ethical, fair, legally, socially and environmentally responsible manner. The Company encourages and educate its value chain partners by facilitating online / one-to-one sessions to create awareness on key areas like Human Rights, labour practices and sustainability.

Total no of awareness programmes held	Topics/principles covered in training	% Of value chain partners covered (by value of business done with such partners) under the awareness programmes
Multiple sessions (case-to-case basis)	The programs include providing training on processes and topics such as 5S, safety, product inspection, audit, quality management system and related topics.	All major and new customers / vendors.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.
The Company’s Board has approved policies and procedures are in place to avoid/ manage conflict of interests such as Code of Conduct for Directors and Senior Management, Policy on Related Party Transactions, Policy for determining Material Subsidiaries, Code of Conduct for prevention of insider trading, Policy for determining Materiality, and Whistle Blower Policy. The Company undertakes training and awareness sessions on ethical business practices, including sessions to avoid or manage the instances of conflict of interests in an appropriate manner.

PRINCIPLE 2:

Businesses should provide goods and services in a manner that is sustainable and safe:

ESSENTIAL INDICATORS:

1. % of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2022-23	FY 2021-22
Research & Development	-	-
Capex	-	-

Details of improvements in environment and social projects:

The Company is in the process of concentrating on CAPEX investments in specific technologies to improve environmental and social aspects.

2.1. Does the entity have procedures in place for sustainable sourcing? (Yes/No):

Yes

The Company takes extreme caution in selecting the supplier after proper assessment and evaluation process. These includes supplier survey, continuous risk assessments and audits. Further, all new key material suppliers are required to fill in a detailed questionnaire prior to on boarding.

2.2. If yes, what % of inputs were sourced sustainably?

Majority of the Company's key material suppliers are determined based on customer's satisfaction and hence almost all the key material suppliers were sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company has the mechanism to recycle products.

- Company is sending 100 % forging flash to steel mills for recycling purpose;
- 100 % of treated industrial effluent for processing is reused;
- 50 % of recycled water from sewage treatment plant is used for maintenance of greenery in the plant;
- 100 % of hazardous waste is sent to authorized waste handler;
- Packing boxes are recycled;
- Waste is constantly monitored and reduced.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No.

LEADERSHIP INDICATORS:

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The organization has not conducted any Life Cycle Assessments (LCA).

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.
Not applicable
3. % of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
Not applicable
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastic	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as % of products sold) for each product category.
Not applicable

PRINCIPLE 3:

Businesses should respect and promote the well-being of all employees, including those in their value chains:

ESSENTIAL INDICATORS

1. Details of measures for the well-being of employees:

Category	Total	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
Permanent Employees											
Male	1124	-	-	360	32%	-	-	-	-	-	-
Female	7	-	-	-	-	-	-	-	-	-	-
Total	1131	-	-	360	32%	-	-	-	-	-	-
Other than Permanent Employees											
Male	492	-	-	7	1.42%	-	-	-	-	-	-
Female	4	-	-	-	-	-	-	-	-	-	-
Total	496	-	-	7	1.41%	-	-	-	-	-	-



Details of measures for the well-being of Workers:

Category	Total	% of employees covered by									
		Health insurance*		Accident insurance*		Maternity benefits		Paternity Benefits		Day Care facilities	
Permanent Workers											
Male	809	-	-	243	30%	-	-	-	-	-	-
Female	1	-	-	-	-	-	-	-	-	-	-
Total	810	-	-	243	30%	-	-	-	-	-	-
Other than Permanent Workers											
Male	1086	-	-	-	-	-	-	-	-	-	-
Female	199	-	-	-	-	-	-	-	-	-	-
Total	1285	-	-	-	-	-	-	-	-	-	-

*Note: Company strictly advises all the employees and workers to take health insurance and Accident Insurance for self and their family.

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employee	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/NA)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	23.72%	47.85%	Y	25.68%	46.49%	Y

3. Accessibility of workplaces:

3.1 Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company supports the needs of the Employees classified as Persons with Disabilities. The Company's office / factory units are designed keeping in mind accessibility of differently abled employees. The premises / offices have been equipped with ramps, lifts, and handrails for stairwells to facilitate the movement of differently abled individuals.

3.2 If not, whether any steps are being taken by the entity in this regard:
NA

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy:

Yes. MMF is an equal opportunity employer and has a Code of Conduct for its employees available at <https://www.mmforgings.com/Investors/policies>



5. Details on return to work and retention rates of permanent employees and workers that took parental leave, in the following format:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Permanent workers	Yes	MMF believes in ensuring strong connect with all its employees and addressing the issues in a timely manner through HR Help Desk, Grievance Redressal Register and e-mail id for reporting POSH related complaints and strong whistle blower mechanism in place to address complaints or issues raised.
Other than permanent workers	Yes	
Permanent Employees	Yes	
Other than permanent employees	Yes	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/workers in the respective category (A)	No of Employees / Workers in the respective category who are part of association/ union (B)	% (B/A)	Total employees/workers in the respective category (C)	No of Employees / Workers in the respective category who are part of association/ union (D)	% (D/C)
EMPLOYEES						
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
WORKERS						
Total Permanent workers	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil



8. Details of training given to employees and workers:

The Company provides frequent Health Awareness Sessions for the employees and their family members as a health and safety/wellness measure.

Category	Total (A)	FY 2022-23				FY 2021-22				
		On health and safety/wellness measures		On skill upgradation		Total (D)	On health and safety/wellness measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Male	1616	830	51%	725	45%	1816	880	48%	802	44%
Female	11	1	9%	1	9%	8	1	13%	1	13%
Total	1627	831	51%	726	45%	1824	881	48%	803	44%
WORKERS										
Male	1896	565	30%	575	30%	1857	660	36%	92	5%
Female	200	16	8%	21	11%	189	11	6%	67	35%
Total	2096	581	28%	596	28%	2046	671	33%	159	8%

9. Details of performance and career development to employees and workers:

Benefits	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES						
Male	1616	1497	92.63%	1816	1696	93.44%
Female	11	11	100%	8	8	100%
Total	1627	1627	100%	1824	1705	93.47%
WORKERS						
Male	1895	1624	85.70%	1857	1580	85%
Female	200	200	100%	189	189	100%
Total	2095	1824	87.07%	2046	1768	86.42%

10. Health and safety management system:

10.1 Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes. The Company has robust EHS program which covers review of compliance in accordance with regulations, internal standards, labour practices, performance recognition initiatives, inspections and self-assessments, emergency response plan and channel of reporting. The EHS program covers entire organisation including corporate office and all plants.

10.2 What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?



The Company has implemented Risk assessment system for identifying workplace hazards, undertaking risk assessment, implementing necessary controls as per the level of risk, and eliminating or minimizing the identified risks.

Risk reduction measures are implemented to prevent incidents (reduce likelihood of occurrence) or to control incidents (limit the extent and duration of a hazardous event) and to mitigate the adverse effects or consequence.

10.3 Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. All employees / contractors are encouraged to report situations, behaviours and conditions that are perceived to be of risk or have hazardous elements. Such situation can be brought to notice through both formal and informal processes.

10.4 Do the employees/workers of the entity have access to non-occupational medical and health care services? (Y/N)

Yes.

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	1	-
	Workers	3	-
No. of facilities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace:**

Company is committed to create and maintain a safe and healthy workplace in the organization and it achieves this by:

- Developing and Implementing company-wide robust EHS management system ensuring zero harm to life;
- Providing training to all the employees and workers on safe working practices;
- Ensuring periodic inspection and audit;
- Investigation of each reported case and preparation of remedial action.

13. **Number of complaints on the following made by employees and workers:**

No complaints were made by any employee or worker on the working conditions and/or health and safety practices of the Company.



14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No actions were required as zero incidents were reported.

LEADERSHIP INDICATORS:

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes. In the event of any unfortunate death of an employee, including workers, the company extends financial support to their family members. Company ensures to review every year on the adequacy of insurance taken by all the employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company takes great care to ensure that the statutory dues applicable are deducted and deposited by the value chain partners. Appropriate reconciliation and Internal audit check are being done on a periodic basis in order to ensure and support business responsibility principles and ideals of transparency and accountability. Every month invoice from few value chain partners is processed upon production of documents evidencing remittance for the previous month.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees / workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)
Company provides future-oriented opportunities and the right environment for people to grow personally and contribute to the moulding of the future. Capacity building and training for skill upgradation are made available to employees. Complete settlement at the time of retirement or termination benefits in case of termination before retirement date are being provided to the employees.

5. Details on assessment of value chain partners:
Company ensure to enter into agreement with the Key Business partners wherein they are required to comply with all statutory regulations and obtain all permits, licenses and permissions etc., including payment of statutory liabilities of labours. The Company at periodical interval do audit check at the supplier's place of business through site visits and reviews their safety standards and working conditions and ensures that the partners comply with all relevant laws and regulations.

Particulars	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working conditions	-

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.
A detailed action plan is currently being sought from all the respective suppliers in a timely manner. The Company diligently tracks actions which specifies that they have to be compliant with health and safety practices and working conditions as mandated by Company policy.

PRINCIPLE 4:

Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

- Describe the processes for identifying key stakeholder groups of the entity.
Individual departments within the organization have roles and responsibilities identified and defined to engage with various stakeholders. The Company identifies stakeholder groups through strategic internal processes including discussion with the top management to understand the impact on the Company's business by engaging them for various activities.
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Updating the information in the Stock Exchange & Company websites, e-mails, letters, Annual Report, AGM Notice, Newspapers Publication, through RTA, reminder letters.	On a periodical basis as per the requirement. Mostly on a quarterly / half yearly and annual basis.	Information on financial performance, growth perspective and any other material information.



Employees	No	E-mail, Notice Board, Meeting, overall gathering.	Continuous	On job training, Appraisal and feedback, Working culture and environmental health and safety, Talent development, Company's performance, targets, vision and mission.
Customers	No	Emails, customer visits, Relationship meetings, Customer satisfaction survey and reviews	Need based	Understanding customers' expectations and the gaps, if any, in Company's product offerings.
Vendors and Suppliers	No	E-mail, Meetings, Supplier assessment	Need based	Complaint resolution, on-time delivery, Product and service quality
Government bodies and regulators	No	Meetings, Visits, Emails and letters	As and when required	Ensure 100% Compliance to all statutory regulations
Local Community	No	Corporate Social Responsibility initiatives	As per regulation	Health care, Education, Social projects and Women empowerment activities.

LEADERSHIP INDICATORS:

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Senior management team frequently will have consultation with various stakeholders and these consultations are part of regular interactions with these stakeholders and the board is apprised of the important issues.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The Company conducted materiality assessment incorporating the views of both internal and external stakeholders and identified the material topics for the company. In response to current regulations and interactions with stakeholders, the Company performs periodic evaluations to update and reissue policies as and when required.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company identifies the need of communities including vulnerable and marginalised groups and accordingly works on various programs through Corporate Social Responsibility initiatives. Report on CSR forms integral part of this Annual Report provided in Annexure 3.

PRINCIPLE 5

Businesses should respect and promote human rights:

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
EMPLOYEES						
Permanent	1131	1131	100%	1816	1816	100%
Other than permanent	496	496	100%	8	8	100%
Total Employees	1627	1627	100%	1824	1824	100%
WORKERS						
Permanent	810	810	100%	1857	1857	100%
Other than permanent	1285	1285	100%	189	189	100%
Total Workers	2095	2095	100%	2046	2046	100%

2. **Details of minimum wages paid to employees and workers in the following format:**

Category	Total (A)	FY 2022-23				FY 2021-22				
		Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent										
Male	1124	463	41%	661	59%	1232	523	43%	709	57%
Female	7	-	-	7	100%	7	-	-	7	100%
Other than permanent										
Male	492	492	100%	-	-	477	477	100%	-	-
Female	4	4	100%	-	-	1	1	100%	-	-



WORKERS										
Permanent										
Male	809	455	56%	354	44%	830	489	59%	341	41%
Female	1	1	100%	-	-	1	1	100%	-	-
Other than permanent										
Male	1086	1086	100%	-	-	1027	1027	100%	-	-
Female	199	199	100%	-	-	188	188	100%	-	-

3. **Details of remuneration/salary/wages, in the following format:**

(₹. in crores)

Particulars	Male		Female	
	Number	Remuneration	Number	Remuneration
Board of Directors (BoD)	2	16.97	-	-
Key Managerial Personnel (other than BoD)	1	0.19	1	0.12
Employees other than BoD and KMP	1613	51.16	10	0.35
Workers	1895	41.89	200	4.42

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Corporate HR head will be addressing all the issues. Email: corporatehr@mmforgings.com

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company's Code of Conduct for Board and Senior Management strongly deters wrongdoings and promote equal opportunities for all at workplace. The Code ensures there is no discrimination or harassment in the workplace and appropriate grievance mechanism is in place. In addition to this, the company has policies such as:

- Code of Conduct for Employees;
- Code of Conduct for Vendors;
- Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Other Employees;
- Vigil Mechanism / Whistle Blower Mechanism Policy;
- POSH Policy.



6. **Number of Complaints on the following made by employees and workers**

Particulars	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced labour/ Involuntary labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The grievance, if any, arising out of Whistle-Blower Policy and Code of Conduct is being reviewed by Audit Committee of the Board. The Internal Compliant Committee review and take necessary action for all harassment issues. All complaints are handled in time bound manner.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, human rights requirements form part of MMF's Supplier Code of Conduct. Suppliers are required to respect internationally recognized human rights standards and to work towards them in all business activities within their own sphere of influence. Any forced or child or compulsory labour is prohibited.

9. **Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced labour/Involuntary labour	100%
Wages	100%

The above assessment done by the Company internally from time to time. Further, labour compliance audit report forms part of major client audits of the Company.

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not applicable

**LEADERSHIP INDICATORS:****1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

There were no such events requiring the Company to modify / introduce a process as a result of addressing human rights grievances / complaints.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Human rights due diligence is being covered as part of the other audits presently. The scope includes assessment on child labour, Forced labour, health and safety, discrimination, working hours etc.,

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. Details on assessment of value chain partners.

Particulars	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	During F23, the above assessment was not done. However, the Company strictly prohibits any forms of Child labour, forced labour, and ensures the same as a prerequisite to value chain partners. The Company generally incorporates clauses that mandates value chain partners to bind themselves for ensuring compliances with all the laws applicable to them.
Discrimination at workplace	
Child labour	
Forced labour/Involuntary labour	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6:**Businesses should respect and make efforts to protect and restore the environment:****Essential Indicators:****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Units	FY 2022-23	FY 2021-22
Total electricity consumption (A)	GJ	3,72,988	339,317
Total fuel consumption (B)	GJ	66,242	92,209
Energy consumption through other sources (C)	GJ	436	593
Total Energy consumption (A+B+C)	GJ	4,39,666	432,119
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/₹ Crore.	315.15	397.18

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved.
In case targets have not been achieved, provide the remedial action taken, if any.
No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water Withdrawal by the Source in Kilolitres (kls)		
(i) Surface Water	-	
(ii) Ground Water	31500	29980
(iii) Third party Water	-	-
(iv) Sea Water/Desalinated Water	-	-
(v) Others- Recycled Water (ETP)	900	740
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	31500	29980
Total volume of water consumption (in kilolitres) (i + ii + iii + iv + v)	32400	30720
Water intensity per rupee of turnover (Water consumed / turnover)	23.22 (kl /₹ Crore.)	28.23 (kl/₹ Crore.)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
Yes. The Company has implemented Zero Liquid Discharge (ZLD) in some of its manufacturing units and has effectively controlled the industrial waste water, eliminating discharge of wastewater. The ZLD system makes use of Effluent treatment plants, Ultra filtration and Multiple Effect Evaporator to effectively recycle water and eliminate discharge.
5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	Mg/m ³	17.1	18.6
SOx	Mg/m ³	13.3	15.8
Particulate matter (PM)	Mg/m ³	71	74
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
No



6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5,125	7,134
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	62,113	32,491
Total Scope-1 emissions per rupee of turnover	Metric tonnes / ₹ Crore.	3.67	6.56
Total Scope 2 emissions per rupee of turnover.	Metric tonnes / ₹ Crore.	44.52	29.86

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste Generated (in metric tonnes)		
Plastic waste (A)	-	-
E-Waste (B)	-	-
Bio-medical waste (C)	-	-
MS Scrap/Scale/Bur/Flash (Solid)	-	-
Used/Spent Oil (Liquid)-HW	0.80	0.68
Discarded Containers/Barrels (Solid)-HW		
Waste & Residues Containing Oil (Liquid)-HW	11.70	10.05
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0.25	0.18
Other Non-hazardous waste generated (H).	-	-
Total (A+B + C + D + E + F + G + H)	12.75	10.91



For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	0.80	0.68
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	0.80	0.68
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	11.70	10.05
(ii) Landfilling	0.25	0.18
(iii) Other disposal operations	-	-
Total	11.95	10.23

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.
The Company is certified under ISO 9001:2015 and the scope covers its entire operations. The Company recycles its Hazardous & Non-Hazardous waste product through authorized recyclers. Further, all relevant plant locations have Wastewater Treatment Plant (WWTP) which is combination of Effluent treatment plant (ETP) and Sewage treatment plant (STP).
10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Nil			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:
Not applicable.
12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:
Yes, Company is in compliance with all the applicable environmental laws.



LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources (GJ)		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	436	593
Total energy consumed from renewable sources (A+B+C)	436	593
From non-renewable sources (GJ)		
Total electricity consumption(D)	3,72,988	3,39,317
Total fuel consumption (E)	66,242	92,209
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	4,39,230	4,31,526

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:
We do not discharge water to any of the water bodies.
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No
3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):
Not applicable, as we do not have any operations in areas of water stress.
4. Please provide details of total Scope 3 emissions & its intensity, in the following format:
The Company is currently not measuring Scope 3 emissions.
5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.
Not Applicable, as the company doesn't have any operations in ecologically sensitive areas.
6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative Undertaken	Details of the initiative (Web link, if any, may be provided along with summary)	Outcome of the initiative
Refer the annexure to Boards' Report on Conservation of Energy			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link
The Company has a standardised disaster management and business continuity plan in place which ensures resilient business operations and utmost safety of employees and the Company's assets. The business continuity plans are integrated in our Enterprise Risk Management program and guide our response to disruptions to our operations.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?
There are no significant adverse impact to the environment arising from the value chain of MMF.
9. % of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
There were no formal assessment done in F23. However, majority of the value chain partner will be covered under Company's different audits.

PRINCIPLE 7:

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS:**1.1 Number of affiliations with trade and industry chambers/associations.**

The Company affiliates with **six** trade and industry chambers/associations

1.2 List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State / National)
1	Association of Indian Forging Industry (AIFI)	National
2	Confederation of Indian Industry (CII)	National
3	Indian Society for Non Destructive Testing (ISNT)	National
4	Engineering Export Promotion Council (EEPC India)	National
5	National Institute for Quality and Reliability (NIQR)	National
6	The Madras Chamber of Commerce and Industry (MCCI)	State / National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:**
There were no incidents of anti-competitive behaviour involving the Company during the reporting period (FY 2022-23).

LEADERSHIP INDICATORS**1. Details of public policy positions advocated by the entity:**

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link, if available
-					

PRINCIPLE 8:**Businesses should promote inclusive growth and equitable development:****ESSENTIAL INDICATORS:**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not Applicable

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
-					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format:**

Name of the project for which R&R is ongoing	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not applicable					

3. **Describe the mechanisms to receive and redress grievances of the community.**

The community grievances, if any can be submitted at the security desk or through company e-mail corporate@mmforgings.com. Any complaint so received is forwarded to the respective department for further action.

4. **% of input material (inputs to total inputs by value) sourced from suppliers.**

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	6.41%	8.56%
Sourced directly from within the district and neighbouring districts	51.40%	39.70%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Refer Annexure to Boards' Report for the details of CSR Activities.

3. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No)

Yes

- 3.1. From which marginalised / vulnerable groups do you procure?

Refer Point no. 4 of Principle 8 above.



3.2. What % of total procurement (by value) does it constitute?

Refer Point no. 4 of Principle 8 above.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Not applicable

6. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies and Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR projects	% Of beneficiaries from vulnerable and marginalized groups
Refer Annexure to the Board's Report for details on CSR activities.			

PRINCIPLE 9:

Businesses should engage with and provide value to their consumers in a responsible manner:

ESSENTIAL INDICATORS:

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
The Company ensures that the voice of all the Customers is heard in an efficient and timely manner. Customer response and customer satisfaction are one of the most important factors. The Company engages with its customers and obtains the customer feedback through the following channels of communication viz.,
 - Customer satisfaction survey once / 6 months;
 - Collection of customers issued score cards / performance reports as per the customer defined frequency;
 - Conference calls with customers;
 - Visits to customer sites / offices and
 - Supplier meets etc.,

Customer satisfaction data are collected, compiled, trend monitored and actions are initiated in case of negative variations during management review.

- Turnover of products and/services as a % of turnover from all products/service that carry information about:
- Number of consumer complaints in respect of the following:

Business Category	As a % of total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and / or safe disposal	100%



Sl. No.	Area	FY 2022-23			FY 2021-22		
		Received during the year	Pending resolution at end of the year	Remarks	Received during the year	Pending resolution at end of the year	Remarks
1	Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
2	Advertising	Nil	Nil	Nil	Nil	Nil	Nil
3	Cyber-Security	Nil	Nil	Nil	Nil	Nil	Nil
4	Delivery of essential security	Nil	Nil	Nil	Nil	Nil	Nil
5	Restrictive Trade practices	Nil	Nil	Nil	Nil	Nil	Nil
6	Unfair Trade practices	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues:
No such instances were reported in the reporting period F23.
5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
The Company has taken various Cyber security measure and has strong security policy which are internally available for all the employees. Safeguarding the stakeholders' privacy is the topmost priority of such policy.
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.
Not Applicable.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):
Information about all the products that the Company offers is available in the Company website www.mmforgings.com
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
The Company sells its product to larger OEMs predominantly and hence it has limited scope for informing and educating the end user about the safe and responsible usage of its products. However, MMF get a declaration while entering into business with its customers, ensuring the products reaches the end consumer in a safe manner.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. Contingency planning to ensure business continuity has been documented and reviewed. Requirement on customer communication is also documented in contingency plan.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable).

If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

YES.

Our company products are customer specific and as per our customer requirements with regard to identification / labelling of product packaging and is consistent with applicable laws of shipping country and receiving country. The typical information displayed on product packaging include customer, supplier, part description, part number, Engineering revision level, purchase order number, heat code, quantity packed, box number, gross weight and net weight etc.,

Our Company values customer feedback and customer satisfaction at various stages of business including enquiry handling, order handling, product realization and shipment.

The Company obtains customer feedback through the following channels of communication viz., Customer satisfaction survey once every 6 months; Collection of customers issued score cards / performance reports as per the customer defined frequency; Conference calls with customers; Visits to customer sites / offices; Supplier meets.

Customer satisfaction data are collected, compiled, trend monitored and actions are initiated in case of negative variations during management review.

5. Provide the following information relating to data breaches:
- 5.1. Number of instances of data breaches along with impact: NIL
- 5.2. % of data breaches involving personally identifiable information of customers:

NIL



SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
MM FORGINGS LIMITED
“SVK TOWERS” A 24/25, THIRU VI KA INDUSTRIAL ESTATE,
GUINDY, CHENNAI-600032

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MM Forgings Limited** (hereinafter called the Company).

Secretarial Audit was conducted based on records made available to me, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion/understanding thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to me and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I, on strength of those records, and information so provided, hereby report that in my opinion and understanding, the Company, during the audit period covering the financial year ended on 31st March, 2023, appears to have complied with the statutory provisions listed hereunder and also in my limited review, that the Company has proper and required Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MM Forgings Limited** (“the Company”) for the financial year ended on 31st March 2023 according to the provisions as applicable to the Company during the period of audit:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment, imports and export of goods and services;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - 5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- 5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- 5.4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- 5.5. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- 5.6. There are no laws/ Regulations (as amended from time to time), as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry.

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

- 5.7. Secretarial Standards issued by The Institute of Company Secretaries of India.
- 5.8. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations').

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above.

During the year under review: -

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.
2. The provision as required under section 149(1) of the Companies Act, 2013 regarding representation of Woman Director on the Board has been duly complied.
3. The provision as required under section 149(4) of the Companies Act, 2013 regarding Independent Directors have been duly complied.
4. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.
5. The service of notice of Annual General meeting together with the Annual Report of the Company for the financial year 2021-22 was in compliance with the Companies Act, 2013.

I further report that there were no actions/events occurred in the pursuance of:

1. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

I further report that, on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads / Company secretary / CEO taken on record by the Board of Directors of the Company, in my opinion, there are adequate systems and processes commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and guidelines.



I further report that, the compliance by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

The Company had reappointed the Cost Auditor for the financial year 2022-23, for a period of one year.

During the year, on 01st September 2022, the Company had acquired 88% stake on equity, in Abhinava Rizel Private Limited (ARPL), a start-up company, engaged in business of design, manufacturing of parts / components for EV electric power train, electric motors and electric controllers / drives gearbox and ADAS systems, etc., used in automotive, industrial, marine, aerospace etc., and thereby ARPL becoming Subsidiary Company of MM Forgings Limited.

As on 31st March 2023, the Company has three wholly-owned subsidiaries viz., D V S Industries Private Limited, Cafoma Autoparts Private Limited and Suvarchas Vidyut Private Limited and one Subsidiary Company viz., Abhinava Rizel Private Limited.

The Board of Directors at their Meeting held on 13 February 2023 had approved the amalgamation of Cafoma Autoparts Private Limited, a Wholly Owned Subsidiaries with the Company effective from 01 April 2023 under Sections 230 to 232 of the Companies Act, 2013. The Company is in the process of filing necessary application with National Company Law Tribunal, Chennai Bench (NCLT).

I further report that:

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further report that during the audit period, no events have occurred which have a major bearing on the Company's affairs.

V SHANKAR
Company Secretary in practice
ACS No. 12080
C.P. No. 12974
UDIN: A012080E000469999

Place: Chennai
Date: 17 May 2023

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE-A

To,
The Members
MM FORGINGS LIMITED
“SVK TOWERS” A 24/25, THIRU VI KA INDUSTRIAL ESTATE,
GUINDY, CHENNAI-600032

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My examination was limited to the verification of procedures on random 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.

Place: Chennai
Date: 17 May 2023

V SHANKAR
Company Secretary in practice
ACS No. 12080
C.P. No. 12974
UDIN: A012080E000469999

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(In terms of Regulation 34(3) read with Schedule V Para C (10) (i) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To,
The Members of
MM FORGINGS LIMITED
“SVK TOWERS” A 24/ 25, Thiru Vi Ka Industrial Estate, Guindy,
Chennai-600032**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MM Forgings Limited having CINL51102TN1946PLC001473 and having registered office at “SVK Towers” A 24/25, Thiru Vi Ka Industrial Estate, Guindy, Chennai-600032 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai
Date: 17 May 2023

V SHANKAR
Company Secretary in practice
ACS No. 12080
C.P. No. 12974
UDIN: A012080E000469944



Form 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)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section 91) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL
 - 1.1. Name (s) of the related party and nature of relationship - NIL
 - 1.2. Nature of contracts/ arrangements/ transaction - NIL
 - 1.3. Duration of the contracts / arrangements/ transactions - NIL
 - 1.4. Salient terms of the contracts or arrangements or transactions including the value, if any - NIL
 - 1.5. Justification for entering into such contracts or arrangements or transactions - NIL
 - 1.6. Date(s) of approval by the Board - NIL
 - 1.7. Amount paid as advances, if any: - NIL
 - 1.8. Date on which the special resolution was passed in general meeting as required under first proviso to section 188. - NIL

2. Details of material contracts or arrangements or transactions at arm's length basis- NIL
 - 2.1. Name (s) of the related party and nature of relationship: - NIL
 - 2.2. Nature of contracts/ arrangements/ transaction - NIL
 - 2.3. Duration of the contracts / arrangements/ transactions - NIL
 - 2.4. Salient terms of the contracts or arrangements or transactions including the value, if any - NIL
 - 2.5. Date (s) of approval by the Board - NIL
 - 2.6. Amount paid as advances, if any: - NIL

In terms of our report even date

For G Ramesh Kumar & Co.
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

K. Venkatramanan
Joint Managing Director
(DIN: 00823317)

V. Vaidyanathan
Director
(DIN: 00081792)

G. Ramesh Kumar
Partner
Membership no. 018663

A. Gopalakrishnan
Director
(DIN: 06414546)

Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrisnan
Chief Financial Officer



INDEPENDENT AUDITORS' REPORT
To the Members of MM Forgings Limited
Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M M Forgings Limited (hereinafter referred to as “the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as “the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the ‘Auditors’ Responsibilities for the Audit of the Standalone 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 (“ICAI”) 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 ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor’s Response
	NIL	



Information other than the financial statements and Auditors' 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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 the fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 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 financial statements, the Board of Directors of the Company is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is also responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 financial results, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial results 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 auditors' 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance of the Company 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 financial statements of the current period 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, 2020 ("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 A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - (i) 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;
 - (ii) 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;
 - (iii) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (v) On the basis of the written representations received from the Directors as on **March 31, 2023** taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164(2) of the Act;
 - (vi) With respect to the adequacy of the internal financial controls system with reference to financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - (vii) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:
 - (viii) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (ix) With respect to the other matters to be included in the Auditors' 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:
 - a. The Company does not have any pending litigation which would impact its financial position.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d.
 - (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of



the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- e. As stated in the standalone financial statements
- (i) Interim Dividend was declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (ii) The Board of Directors of the Company has declared interim dividend for the year. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- f. Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For G Ramesh Kumar & Co.,
CHARTERED ACCOUNTANTS
Firm Registration No. 003010S

G. RAMESH KUMAR
Partner
Membership no. 018663
UDIN: 23018663BGUFZB7102

Place: Tiruchirapalli
Date: 17 May 2023



Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MM Forgings Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we report that:

I.

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
 - b. The Company has maintained proper records showing full particulars of intangible assets;
 - c. The Company has a regular program of physical verification of Property, Plant and Equipment in a phased manner, which, in our opinion, is reasonable, considering the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
2. According to the information and explanations furnished to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the Title Deeds, comprising of all the immovable properties are held in the name of the Company as at the Balance Sheet date.
3. The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
4. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and Rules made thereunder.

II.

1. The inventories have been physically verified by the Management during the year at reasonable intervals, except materials lying with third parties, where confirmations are obtained. In our opinion, the coverage and procedure of such verification by the Management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records were not material and they have been properly dealt with in the books of account.
2. Monthly statements of stocks and debtors filed by the Company with Banks, from whom working capital limits in excess of Rupees Five crore were availed, were in agreement with the books of account of the Company.

- III. According to the information and explanations furnished to us, apart from the Loan of **₹9,090.21 Lakhs** to M/S. DVS Industries Private Limited and Suvarchas Vidyut Private Limited, subsidiaries of the Company, the Company has neither granted nor taken any loans to and from companies, firms or other parties covered in the Register, maintained under Section 189 of the Companies Act, 2013. In respect of the loan to such subsidiary Company: -

1. The Terms and conditions of the grant of such loan is, in our opinion, not prejudicial to the interest of the Company;
2. The repayment of the said loan is yet to commence as per the schedule stipulated for the repayment;
3. There is no overdue amount remaining outstanding as on the date of the Balance Sheet;

The Company has also made an Investment of ₹16.84 Crores as follows:

- (i) ₹ 1.00 Crores towards 100% Share Capital in Suvarchas Vidyut Private Limited for 10,00,000 Equity Shares of ₹10 Each.



(ii) ₹15.84 Crores towards 88% Share Capital in Abhinava Razel Private Limited 26,40,000 Equity Shares of ₹10 Each at a premium of ₹50 Each.

The Company has not made any other investments in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year.

4. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
 5. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
 6. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable
 7. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- IV. In our opinion and according to the information and explanations furnished to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- V. During the year, the Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under Clause 3(v) of the Order is not applicable.
- VI. The maintenance of cost records under Section 148 (1) of The Act has not been specified by The Central Government for the business activities carried on by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.
- VII. In respect of statutory dues:
- a. According to the records of the Company, the Company has been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities.
 - b. There were no undisputed amounts payable in respect of any of the above statutory dues in arrears as at March 31, 2023 for a period more than six months from the date they became payable.
 - c. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below;

Name of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Crore)
The Income Tax Act	Due as per order u/s 201	CIT Appeals	Y.E. 31.03.2016	0.24

- VIII. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.
- IX. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared as a wilful defaulter by any Bank or financial institution or other lender.



(c) The term loans were applied for the purpose for which the loans were obtained. The Company has repaid / availed the following term loans / Working Capital facilities from Banks:

Long Term Borrowings Availed	₹ 7,500.00 Lakhs
Net Long Term Borrowings Repaid	₹ (439.23) Lakhs
Net Short Term Borrowings Availed	₹12,783.79 Lakhs
Net Borrowings during the Year	₹12,344.56 Lakhs

Based on our audit, we report that the proceeds of the Term Loan / Working Capital have been utilized for the purpose for which they were borrowed – namely creation of Fixed Assets of the Company.

The total investment in Fixed Assets / Current Assets for the year is as under:

Investment in Fixed Assets – Including CWIP	₹15,227.98 Lakhs
Investment in Current Assets – Stock / Debtors	₹16,016.64 Lakhs
Total	₹31,244.62 Lakhs.

Thus, the Total Assets created is at ₹31,244.62 Lakhs as against Net Borrowals of ₹12,344.56 Lakhs.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have not been utilised for long term purposes.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

- X. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- XI. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 (c) There were no whistle-blower complaints received during the year by the Company.

- XII. The Company is Not a Nidhi Company. Accordingly, para 3 (xii) of The Order is not applicable to the Company.

- XIII. Based on the audit procedures performed and information and explanations given by the management, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013 were applicable and details of such transactions are duly reported in the standalone Financial Statements as required by the applicable Accounting Standards.

- XIV. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year.



- XV. In our opinion, the Company has not entered in to any non-cash Transactions with Directors or persons connected with him and hence, the provisions of Section 192 of the Companies Act 2013 are not applicable to the Company.
- XVI. (a) In our opinion, no registration is required under Section 45 IA of The Reserve Bank of India Act. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- XVII. The Company has not incurred cash losses during the financial years 2022-23 and 2021-22.
- XVIII. There has not been any resignation of the statutory auditors of the Company during the year.
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. (a) There are no unspent amounts towards Corporate Social Responsibility (“CSR”) in respect of other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no ongoing projects and hence, the requirement of transferring unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in Compliance with the provision of section 135(6) of the Act is not applicable to the Company.

**For G Ramesh Kumar & Co.,
CHARTERED ACCOUNTANTS**
Firm Registration No. 003010S

G. RAMESH KUMAR
Partner

Membership no. 018663
UDIN: 23018663BGUFZB7102

Place: Tiruchirapalli
Date: 17 May 2023

Annexure B to the Auditors' Report

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 financial statements of M M Forgings Limited ('the Company') as of 31st March 2023 in conjunction with our audit of the standalone Ind AS 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 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 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 control systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 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 financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely direction of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial control system over financial reporting with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, 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 G Ramesh Kumar & Co.,
CHARTERED ACCOUNTANTS**
Firm Registration No. 003010S

G. RAMESH KUMAR
Partner
Membership no. 018663
UDIN: 23018663BGUFZB7102

Place: Tiruchirapalli
Date: 17 May 2023



Balance Sheet as at 31st March 2023		₹ in Lakhs	
Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
A ASSETS			
1 Non-current Assets			
1.1 Property, Plant and Equipment			
1.1.1 Property, Plant and Equipment	3	71,155.28	64,983.03
1.1.2 Capital work-in-progress		5,933.85	3,635.46
		77,089.13	68,618.49
1.2 Financial Assets			
1.2.1 Non-current investments	4	4,972.44	3,288.44
1.2.2 Long-term loans and advances	5	10,467.18	9,704.04
1.3 Other non-current assets	6	1,147.07	841.58
		16,586.69	13,834.06
2 Current Assets			
2.1 Inventories	7	28,804.63	19,275.14
2.2 Financial Assets			
2.2.1 Trade receivables	8	22,822.30	16,640.63
2.2.2 Cash and cash equivalents	9	20,473.68	22,400.88
2.2.3 Bank balances other than (2.2.2) above		55.26	53.72
2.2.4 Short-term loans and advances	10	1,173.98	3,082.60
2.3 Other current assets	11	8.29	8.79
		73,338.14	61,461.76
		1,67,013.96	1,43,914.31
B EQUITY AND LIABILITIES			
1 Equity			
1.1 Equity Share capital	12	2,414.08	2,414.08
1.2 Other Equity	13	66,460.12	55,349.70
1.3 Equity attributable to owners		68,874.20	57,763.78
		68,874.20	57,763.78
2 Non-current liabilities			
2.1 Financial liabilities			
2.1.1 Long-term borrowings	14	32,910.71	34,618.83
2.2 Deferred tax liabilities (net)		3,818.32	3,517.13
2.3 Other long-term liabilities	15	361.38	648.63
		37,090.41	38,784.59
3 Current liabilities			
3.1 Financial liabilities			
3.1.1 Short-term borrowings	16	32,166.53	24,527.54
3.1.2 Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	17	15,853.46	11,463.14
3.2 Other current liabilities	18	10,197.72	8,927.29
3.3 Short-term provisions	19	2,831.64	2,447.97
		61,049.35	47,365.94
TOTAL		1,67,013.96	1,43,914.31

See accompanying notes forming part of the financial statements

In terms of our report of even date

For G Ramesh Kumar & Co.
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

K. Venkatramanan
Joint Managing Director
(DIN: 00823317)

V. Vaidyanathan
Director
(DIN: 00081792)

G. Ramesh Kumar
Partner
Membership no. 018663

A. Gopalakrishnan
Director
(DIN: 06414546)

Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrishnan
Chief Financial Officer



Profit and Loss Account for the year ended 31st March 2023		₹ in Lakhs	
Particulars	Note No.	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
A CONTINUING OPERATIONS			
1 Revenue from operations	20	1,40,927.92	1,10,464.48
2 Other income	21	1,612.14	1,857.22
3 Total Income (1+2)		1,42,540.06	1,12,321.70
4 Expenses			
4.1 Cost of materials consumed	22	73,435.50	52,280.87
4.2 Changes in inventories of Finished Goods / Work-In-Process	23	(5,993.20)	(1,836.70)
4.3 Employee benefits expense	24	12,651.93	11,272.52
4.4 Finance costs	25	2,922.02	2,731.18
4.5 Depreciation and amortisation expenses	3.3	6,759.56	6,010.61
4.6 Other expenses	26	35,279.84	28,573.81
Total expenses (4)		1,25,055.65	99,032.29
5 Profit / (Loss) before exceptional items and tax (3 - 4)		17,484.41	13,289.41
6 Exceptional items			
Profit on Sale of Business Asset	21.6	0.65	0.13
7 Profit / (Loss) before tax (5 ± 6)		17,485.06	13,289.54
8 Tax expense:			
8.1 Current tax expense for current year		4,625.00	2,599.52
8.2 Tax expense relating to prior years		-	84.55
8.3 Net current tax expense		4,625.00	2,684.07
8.4 Mat Credit adjusted / (entitlement)			
8.5 Deferred tax and Mat Liability / (Asset)		301.19	1,429.48
		4,926.19	4,113.55
9 Profit / (Loss) from continuing operations (7 ± 8)		12,558.87	9,175.99
B DISCONTINUING OPERATIONS			
10 Profit / (Loss) from discontinued operations		-	-
11 Tax expenses of discontinued operations		-	-
12 Profit / (Loss) from discontinued operations (10±11)		-	-
C TOTAL OPERATIONS			
13 Profit / (Loss) for the year (9 ± 12)		12,558.87	9,175.99
14 Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax		-	-
15 Total Comprehensive Income for the year (13 ± 14) comprising Profit/ (Loss) and Other Comprehensive Income for the year		12,558.87	9,175.99
16 Earnings per share (of Rs. 10 /- each):			
16.1 Basic			
16.1.1 Continuing operations		52.02	38.01
16.1.2 Discontinued operations		-	-
16.1.3 Total operations		52.02	38.01
16.2 Diluted			
16.2.1 Continuing operations		52.02	38.01
16.2.2 Discontinued operations		-	-
16.2.3 Total operations		52.02	38.01

See accompanying notes forming part of the financial statements

In terms of our report even date

For **G Ramesh Kumar & Co.**
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

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(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrisnan
Chief Financial Officer

Notes forming part of the financial statements

1. Corporate information

The Company is engaged in the manufacture of Steel Forgings. The plants for manufacture are located at Singampunari – Sivagangai District, Viralimalai - Pudukkottai District and Karanaithangal Village-Kanchipuram District, all within the state of Tamil Nadu. The Company has its machining plant in Kursi Road, Barabanki situated in the state of Uttar Pradesh.

2. Significant accounting policies followed by the Company: -

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Sales does not include GST.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Work-in-progress and finished goods include appropriate proportion of overheads.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortisation

Depreciation has been provided on straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013 and accelerated depreciation is provided, wherever necessary.

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and the residual value of the assets are



determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The expected life is based on historic experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology.

Property, Plant and Equipment are stated at Cost less accumulated Depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the Property, Plant and Equipments are put to use. The Company depreciates Property, Plant and Equipment over their estimated useful life using Straight Line Method.

The estimated useful life of assets are as follows:

Particulars

Building	30 Years
Plant and Machinery	15 Years
Office Equipment	5 Years
Computer Equipments	5 Years
Furniture and Fittings	10 Years
Vehicles	5 Years

Based on technical evaluation, the Management believes that the useful life as given above represents the period over which the Management expects to use these assets. Hence, the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II to The Companies Act, 2013. Depreciation method, useful life and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet Date is classified as Capital Advances under Other Non-Current assets and the cost of assets not put to use before such date are disclosed under Capital Work in Progress. Subsequent expenditures relating to Property, Plant and Equipment are capitalised only when it is possible that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and Maintenance Costs are recognised in Net Profit in the Statement of Profit and Loss when incurred. The cost and related accumulated Depreciation are eliminated from the Financial Statements upon sale or retirement of the Asset and the resultant Gains or Losses are recognised in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

2.7 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales do not include GST.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes all expenses incurred in connection with the acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Exchange differences arising on restatement / settlement of long-term



foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Foreign currency transactions and translations

Initial recognition Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

The Loss, if any, in the case of foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are considered / restated at the year-end rates. However, gains if any, are not considered.

Treatment of exchange differences

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. The amount capitalised in the current year is ₹769.46 Lakhs (Last Year ₹(275.30) Lakhs).

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts.

2.11 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences. Defined contribution plans The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund / Superannuation fund, the same are covered under Group Gratuity Scheme of LIC and Superannuation Fund with LIC.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

2.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

2.14 Segment reporting

The Company is engaged in only one segment - Manufacture of Steel Forgings.

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the posttax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the statement of Profit and Loss.

2.17 Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.



2.18 Impairment of assets

The carrying values of assets/cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.19 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



Statement of Changes in Equity for the year ended 31st Mar 2023

₹ in Lakhs

A. Equity Share Capital

(1) For the year 2022-23

Balance as at 1-Apr-2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1-Apr-2022	Changes in equity share capital during 2022-23	Balance as at 31-Mar-2023
2414.08	0.00	2414.08	0.00	2414.08

(2) For the year 2021-22

Balance as at 1-Apr-2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1-Apr-2021	Changes in equity share capital during 2021-22	Balance as at 31-Mar-2022
2414.08	0.00	2414.08	0.00	2414.08

B. Other Equity

(1) For the year 2022-23

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium	General Reserve	Retained earnings	Total
Balance as at 1-Apr-2022	4.60	305.00	54916.33	123.77	55349.70
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balance as at 1-Apr-2022	4.60	305.00	54916.33	123.77	55349.70
Total comprehensive income for the year 2022-23	0.00	0.00	0.00	12558.87	12558.87
Dividends	0.00	0.00	0.00	(1448.45)	(1448.45)
Transfer from Retained earnings	0.00	0.00	11110.00	(11110.00)	0.00
Any other change	0.00	0.00	0.00	0.00	0.00
Balance as at 31-Mar-2023	4.60	305.00	66026.33	124.19	66460.12

(2) For the year 2021-22

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium	General Reserve	Retained earnings	Total
Balance as at 1-Apr-2021	4.60	305.00	47191.33	121.17	47622.10
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balance as at 1-Apr-2021	4.60	305.00	47191.33	121.17	47622.10
Total comprehensive income for the year 2021-22	0.00	0.00	0.00	9175.99	9175.99
Dividends	0.00	0.00	0.00	(1448.39)	(1448.39)
Transfer from Retained earnings	0.00	0.00	7725.00	(7725.00)	0.00
Any other change	0.00	0.00	0.00	0.00	0.00
Balance as at 31-Mar-2022	4.60	305.00	54916.33	123.77	55349.70



Name of the Company **M M FORGINGS LIMITED**
Notes forming part of the financial statements
Note 3 Fixed Assets

3.1	Tangible Assets	Gross block							Balance as at 31st Mar 2023 ₹ in lakhs
		Balance as at 1st April 2022 ₹ in lakhs	Additions ₹ in lakhs	Disposals ₹ in lakhs	Effect of foreign currency exchange differences ₹ in lakhs	Borrowing cost capitalised ₹ in lakhs	Other adjustments ₹ in lakhs		
3.1.1	Land	6,992.68	818.57						7,811.25
3.1.2	Buildings	14,918.49	758.57						15,677.06
3.1.3	Plant and Equipment	1,01,601.25	10,341.03		769.46	12.50			1,12,724.24
3.1.4	Furniture and Fixtures	253.80	-						253.80
3.1.5	Vehicles	721.73	153.79	2.25					873.27
3.1.6	Office equipment	1,896.39	77.89						1,974.28
	Total	1,26,384.34	12,149.85	2.25	769.46	12.50		-	1,39,313.90
	Previous year	1,17,141.89	9,418.72	-	(275.30)	99.03		-	1,26,384.34

All the Assets are Free Hold except leasehold land at Lucknow

3.2	Tangible Assets	Accumulated depreciation and impairment				Net block	
		Balance as at 1st April 2022 ₹ in lakhs	Depreciation / amortisation expense for the year ₹ in lakhs	Eliminated on disposal of assets ₹ in lakhs	Other adjustments ₹ in lakhs	Balance as at 31st Mar 2023 ₹ in lakhs	Balance as at 1st April 2022 ₹ in lakhs
3.2.1	Land	-	-	-	-	-	6,992.68
3.2.2	Buildings	3,410.62	514.84	-	-	3,925.46	11,507.87
3.2.3	Plant and Equipment	55,565.53	6,059.54	-	-	61,625.07	46,035.72
3.2.4	Furniture and Fixtures	229.50	22.33	-	-	251.83	24.30
3.2.5	Vehicles	517.97	44.74	2.25	-	560.46	203.76
3.2.6	Office equipment	1,677.69	118.11	-	-	1,795.80	218.70
	Total	61,401.31	6,759.56	2.25	-	68,158.62	64,983.03
	Previous year	55,390.70	6,010.61	-	-	61,401.31	61,751.19



Name of the Company **M M FORGINGS LIMITED**
Notes forming part of the financial statements

Depreciation and amortisation relating to continuing operations:		For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Particulars		₹ in lakhs	₹ in lakhs
3.3	Depreciation and amortisation for the year on tangible assets as per Note 2.6	6,759.56	6,010.61
	Depreciation and amortisation for the year on intangible assets as per Note 2.6	-	-
	Less: Utilised from revaluation reserve	-	-
	Depreciation and amortisation relating to discontinuing operations (Refer Note 2.18)	-	-
	Depreciation and amortisation relating to continuing operations	6,759.56	6,010.61

Note 4 Non-current investments

Particulars	As at 31 March 2023		As at 31 March 2022	
	Quoted # ₹ in lakhs	Unquoted # ₹ in lakhs	Quoted ₹ in lakhs	Unquoted ₹ in lakhs
Investments (At cost):				
4.1 Trade	NIL	NIL	NIL	NIL
4.2 Other investments	14.10	4,958.34	14.10	3,274.34
4.2.1 Investment in equity instruments - Fully Paid	14.10	4,958.34	14.10	3,274.34
Total - Other investments (4.2)				
Less: Provision for diminution in value of investments		-		-
Total		4,972.44		3,288.44
Aggregate amount of quoted investments		14.10		14.10
Aggregate market value of listed and quoted investments		33.86		17.84

Investments in Unquoted Shares represent investment in wholly owned subsidiary company of Rs.4834 Lakhs



Particulars	₹ in Lakhs	
	As at 31st March 2023	As at 31st March 2022
Note 5 Long-term loans and advances		
5.1 Security deposits		
Secured, considered good	-	-
Unsecured, considered good	1,077.36	1,211.88
Doubtful	-	-
	1,077.36	1,211.88
Less: Provision for doubtful deposits	-	-
	1,077.36	1,211.88
5.2 Advance Income Tax	299.61	139.21
5.3 Mat Credit Available		
5.4 Balances with government authorities		
Unsecured, considered good	-	-
5.4.1 DVS Industries (P) Limited	8,268.00	8,437.14
5.4.2 Cafoma Autoparts Pvt Ltd	-	(84.19)
5.4.3 Suvarchas Vidyut Private Limited	822.21	
	9,090.21	8,352.95
Total	10,467.18	9,704.04

Note: Long-term loans and advances - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director. However the Loan to subsidiary Company has been given as above under item 5.4.1 to 5.4.3

Note 6 Other non-current assets		
6.1 Long Term Inventories (At lower of cost and net realisable value)		
6.1.1 Raw materials	470.55	178.09
6.1.2 Work-in-progress - Steel Forgings	287.33	166.61
6.1.3 Stores & Spares	233.93	323.92
6.1.4 Consumable Tools	1.72	-
Total	993.53	668.62
6.2 Other Assets		
6.2.1 Sundry Debtors	153.54	172.96
6.2.2 Advance to Suppliers	-	-
Total	1,147.07	841.58

Note 7 Inventories		
(At lower of cost and net realisable value)		
7.1 Raw materials	13,247.18	9,938.79
7.2 Work-in-progress - Steel Forgings	14,273.82	8,401.34
7.3 Stores and spares	597.53	420.56
7.4 Consumable Tools	686.10	514.45
Total	28,804.63	19,275.14

Note 8 Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	22,822.30	16,640.63
Doubtful	-	-
Total	22,822.30	16,640.63
Less: Provision for doubtful trade receivables	-	-
Total	22,822.30	16,640.63

Note: Trade Receivables - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director



Note 9 Cash and cash equivalents		₹ in Lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
9.1 Cash on hand	14.77	8.66	
9.2 Cheques, drafts on hand	-	-	
9.3 Investments in Liquid funds	20,352.86	19,182.55	
9.4 Balances with banks			
9.4.1 In current accounts	15.45	149.06	
9.4.2 In deposit accounts (Refer Note below)	90.60	3,060.61	
Total	20,473.68	22,400.88	

Note 10 Short-term loans and advances		As at 31st March 2023	As at 31st March 2022
10.1 Loans and advances to employees	Secured, considered good	340.45	236.35
	Unsecured, considered good	-	-
	Doubtful	-	-
		340.45	236.35
	Less: Provision for doubtful loans and advances	-	-
		340.45	236.35
10.2 Prepaid expenses - Unsecured, considered good		193.14	123.44
10.3 Balances with government authorities - Unsecured, considered good			
10.3.1 GST credit		588.25	2,527.05
10.4 Others	Secured, considered good	-	-
	Unsecured, considered good	52.14	195.76
	Doubtful	-	-
		52.14	195.76
	Less: Provision for other doubtful loans and advances	-	-
		52.14	195.76
Total		1,173.98	3,082.60

Note: Short-term loans and advances - No amount is due from any Directors, Other Officers of the Company, Firms in which any Director is a partner, Private Companies in which any Director is a Director

Note 11 Other current assets			
11.1 Others			
11.1.1 Insurance claims		8.29	8.79
Total		8.29	8.79

Note 12 Share capital	As at 31st March 2023		As at 31st March 2022	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
12.1 Authorised				
Equity shares of ₹ 10 each with voting rights	3,00,00,000	3,000.00	3,00,00,000	3,000.00
12.2 Issued				
Equity shares of ₹ 10 each with voting rights	2,41,43,200	2,414.32	2,41,43,200	2,414.32
12.3 Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	2,41,40,800	2,414.08	2,41,40,800	2,414.08

(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2023				
- Number of shares	2,41,40,800			2,41,40,800
- Amount ₹ in lakhs 2414.08				
Year ended 31 March, 2022				
- Number of shares	2,41,40,800			2,41,40,800
- Amount ₹ in lakhs 2,414.08				

(2) Details of shares held by each shareholder holding more than 5% shares:

Class of Shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Synmax Consultants and Trading Pvt Ltd	57,96,000	24.01%	57,96,000	24.01%
Vidyashankar Krishnan	27,20,240	11.27%	27,20,240	11.27%
Venkatramanan Krishnan	25,84,960	10.71%	25,84,960	10.71%

(3) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.

Particulars - Aggregate number of shares	As at 31st March 2023	As at 31st March 2022
Equity shares with voting rights	2,41,40,800	2,41,40,800
Fully paid up by way of bonus shares		



Note 13 Reserves and surplus		₹ in Lakhs					
		As at 31st March 2023	As at 31st March 2022				
Particulars							
13.1 Capital reserve							
Opening balance		4.60	4.60				
Add: Additions during the year		-	-				
Profit on Sale of Land		-	-				
Less: Utilised / transferred during the year		-	-				
Closing balance		4.60	4.60				
13.2 Securities premium account							
Opening balance		305.00	305.00				
Closing balance		305.00	305.00				
13.3 General reserve							
Opening balance		54,916.33	47,191.33				
Add: Transferred from surplus in Statement of Profit and Loss		11,110.00	7,725.00				
Less: Utilised / transferred during the year for Interim Dividend / Dividend Tax		-	-				
Closing balance		66,026.33	54,916.33				
13.4 Surplus / (Deficit) in Statement of Profit and Loss							
Opening balance		123.77	121.24				
Add: Profit for the year		12,558.87	9,175.99				
Less: Interim dividend		0.00	0.00				
Dividends proposed to be distributed to equity shareholders Rs.6 per share)		1,448.45	1,448.45				
Transferred to: General Reserve		11,110.00	7,725.00				
Closing balance		124.19	123.77				
	Total	66,460.12	55,349.70				
Note 14 Long-term borrowings		₹ in Lakhs					
Particulars		As at 31st March 2023	As at 31st March 2022				
Term Loans From Banks							
Secured		32,910.71	34,618.83				
Unsecured		-	-				
Total		32,910.71	34,618.83				
14.1 Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:							
Particulars	₹ in Lakhs		₹ in Lakhs				
	As at 31st March 2023		As at 31st March 2022				
	Secured	Unsecured	Secured	Unsecured			
Term loans from banks:							
Bank							
SBI (Formerly SBT)	-		505.99				
SBI	4,127.31		4,657.93				
DBS - Loan	4,453.53		5,753.42				
HDFC	17,950.49		13,451.89				
Federal	2,798.40		3,625.11				
ICICI	9,039.18		10,944.06				
SCB	4,684.26		4,554.00				
Total - Term loans from banks	43,053.17		43,492.40				
Less: Amounts due within 12 Months	10,142.46		8,873.57				
Total - Term loans from banks	32,910.71		34,618.83				
14.2 Terms of Security / Repayment							
All loans secured by the charge over Fixed Assets of the Company except the lands at Singampunari / Viralimalai.							
14.3 Instalments Payable							
	SBI	DBS	HDFC	Federal	ICICI	SCB	Total
2023 - 24	922.52	1,649.21	3,662.09	1,017.60	1,904.88	986.16	10,142.46
2024 - 25	922.52	1,649.21	4,197.80	1,017.60	1,904.88	986.16	10,678.17
2025 - 26	922.52	1,155.11	2,826.77	763.20	1,904.88	986.16	8,558.64
2026- 27	922.52	-	2,197.80	-	1,904.88	986.16	6,011.36
2027- 28	437.23	-	2,197.80	-	1,419.66	739.62	4,794.31
2028- 29	-	-	2,868.23	-	-	-	2,868.23
2029- 30	-	-	-	-	-	-	-
Total	4,127.31	4,453.53	17,950.49	2,798.40	9,039.18	4,684.26	43,053.17
Details of long-term borrowings guaranteed by some of the directors or others: NIL							
For the current maturities of long-term borrowings, refer items 18.1 - Other current liabilities.							
No default in the servicing / repayment of the loans.							



Note 15 Other long-term liabilities		₹ in Lakhs	
Particulars		As at 31st March 2023	As at 31st March 2022
15.1 Trade Payables			
Other than acceptances		-	80.22
15.2 Others			
Rental Advance Received		190.71	190.71
Payables on Purchase of Fixed Assets		86.32	253.46
Provision for Gratuity and Compensated absence			
Advance from Customers		84.35	124.24
	Total	361.38	648.63

Note 16 Short-term borrowings		₹ in Lakhs	
Particulars		As at 31st March 2023	As at 31st March 2022
16.1 Loans repayable on demand from Banks			
Secured		32,166.53	21,955.14
Unsecured		-	2,572.40
	Total	32,166.53	24,527.54

Note: Details of security for the secured short-term borrowings:			
Particulars	Nature of Security	As at 31st March 2023	As at 31st March 2022
Loans repayable on demand from Banks	Hypothecation of Inventory/ Book Debts	32,166.53	24,527.54
	Rate of Interest 5.80%		
Total - from banks		32,166.53	24,527.54
No Default in the Servicing of the facility availed.			

Note 17 Trade payables		₹ in Lakhs	
Particulars		As at 31st March 2023	As at 31st March 2022
Trade Payables - Other than Acceptances		15,853.46	11,463.14
	Total	15,853.46	11,463.14

Note 18 Other current liabilities		₹ in Lakhs	
Particulars		As at 31st March 2023	As at 31st March 2022
18.1 Current maturities of long-term debt - Secured		10,142.46	8,873.57
18.2 Unpaid dividends		55.26	53.72
	Total	10,197.72	8,927.29

Note : Current maturities of long-term debt (Refer Notes 5.1 and 5.4 - Long Term Borrowings for details of Security)

Note 19 Short Term Provisions		₹ in Lakhs	
Particulars		As at 31st March 2023	As at 31st March 2022
19.1 Provision for tax (net of advance tax)		1,383.19	999.52
19.2 Provision for proposed equity dividend		1,448.45	1,448.45
	Total	2,831.64	2,447.97

Note 20 Revenue from operations		₹ in Lakhs	
Particulars		As at 31st March 2023	As at 31st March 2022
20.1	Sale of products	1,39,511.01	1,08,798.03
20.2	Other operating revenues	1,416.91	1,666.45
	Total	1,40,927.92	1,10,464.48
20.1.1	Sale of products comprises		
	<u>Manufactured goods</u>		
	Steel Forgings	1,39,511.01	1,08,798.03
	Total - Sale of products	1,39,511.01	1,08,798.03
20.2.1	Other operating revenues		
	Power Generated	1,416.91	1,666.45
	Total - Other operating revenues	1,416.91	1,666.45

Note 21 Other income		As at 31st March 2023	As at 31st March 2022
21.1	Interest income from Bank Deposits	67.50	59.98
21.2	Interest Received	410.35	438.81
21.3	Dividend income: from long-term investments	794.24	831.98
21.4	Miscellaneous Income	265.05	526.45
21.5	Others	75.00	-
		1,612.14	1,857.22
21.6	Profit on Sale of business assets	0.65	0.13
	Total	1,612.79	1,857.35



Note 22 Cost of materials consumed		₹ in Lakhs		
		As at 31st March 2023	As at 31st March 2022	
Opening stock		10,116.88	9,818.58	
Add: Purchases		77,036.35	52,579.17	
Total		87,153.23	62,397.75	
Less: Closing stock		13,717.73	10,116.88	
Cost of material consumed		73,435.50	52,280.87	
Material consumed comprises: Raw material Steel Billets				
Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade				
Inventories at the end of the year:				
Work-in-progress Forgings		14,561.15	8,567.95	
Inventories at the beginning of the year:				
Work-in-progress Forgings		8,567.95	6,731.25	
Net (increase) / decrease		(5,993.20)	(1,836.70)	
Note 24 Employee benefits expense				
24.1 Salaries and wages		9,401.18	8,543.80	
24.2 Managerial Remuneration		1,717.75	1,406.51	
24.2 Contributions to provident and other funds		442.49	420.21	
24.3 Staff Gratuity		60.87	30.33	
24.4 Staff welfare expenses		1,029.64	871.67	
Total		12,651.93	11,272.52	
Note 25 Finance costs				
Interest expense on: Borrowings		2,922.02	2,731.18	
Total		2,922.02	2,731.18	
Note 26 Other expenses		₹ in Lakhs		
Particulars	As at 31st March 2023	As at 31 March 2022	As at 31st March 2023	As at 31st March 2022
26.1 Consumption of Stores			3,389.13	2,645.80
26.2 Consumption of Tools			5,069.40	3,314.84
26.3 Outside Labour			2,288.94	931.49
26.4 Power and fuel			12,360.67	9,200.99
26.5 Repairs and Maintenance				
26.5.1 Buildings	125.99	97.63		
26.5.2 Machinery	1,056.60	1,001.67		
26.5.3 Machinery Spares	1,760.72	1,576.49	2,943.31	2,675.79
26.6 Selling Expenses			2,674.26	1,864.80
26.6 Export Expenses				
26.7.1 Packing & Forwarding	976.94	954.48		
26.7.2 Freight	2,638.75	4,716.19		
26.7.3 Commission	-	-		
26.7.4 Warehousing Charges	789.95	490.17		
26.7.5 Others	121.52	126.63	4,527.16	6,287.47
26.8 Loss on fixed assets sold / scrapped / written off			-	-
26.9 Miscellaneous expenses			2,026.97	1,652.63
Total			35,279.84	28,573.81
Miscellaneous expenses includes payment to				
As auditors - statutory audit			19.77	18.60
For taxation matters			1.77	1.77
Reimbursement of Expenses			2.48	0.17
Total			24.02	20.54
Note 27 Additional information to the financial statements			₹ in Lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
27.1 Contingent liabilities and commitments (to the extent not provided for)				
27.1.1 Contingent Liabilities - Foreign Bills Discounted with Bank			-	623.57
Note 28 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006			NIL	NIL



Note 29 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges		As at 31st March 2023	As at 31st March 2022
29.1	Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:	9,090.21	8,352.95
29.2 The Directors of the Company are Directors/Partners of the following concerns:			
Other Directorship		Other Committee Memberships	
Shri N. Srinivasan			
Coromandel Electric Co. Ltd	Chairman		
Coromandel Sugars Ltd	Chairman		
E.W.Stevens & Co. Private Ltd	Chairman		
EWS Finance & Invst Private Ltd	Chairman		
ICL Financial Services Ltd	Chairman		
ICL Securities Ltd	Chairman		
The India Cements Limited	Vice Chairman & Managing Director	Stakeholders / Relationship	Member
Chelsea Holdings and Properties Ltd., UK	Director		
Shri V. Vaidyanathan			
Vision Research Foundation	Board Member		
Shri A. Gopalakrishnan			
Directorship in Other Companies	NIL		
Smt. Kavitha Vijay			
A.V.Thomas & Co Ltd	Director	Audit and Remuneration	Member
AVT Natural Products Limited	Director	Audit and Risk management	Member
Neelamalai Agro Industries Limited	Director	Audit	Member
Abhinava Rizeal Private Limited	Director		
Simeio Development Center Private Limited	Director		
Metacomp Technologies Private Limited	Director		
Kodaikanal International School	Director		
Universal Legal	Partner		
Smt. Sumita Vidyashankar			
Synmax Consultants & Trading Private Limited	Director		
Abhinava Rizeal Private Limited	Director		
Suvarchas Vidyut Private Limited	Director		
Svachish Techvest Private Limited	Director		
Sivasundar Private Limited	Director		
Shri Vidyashankar Krishnan			
Association of Indian Forging Industry	Managing Committee		
Synmax Consultants & Trading Private Limited	Director		
Sivasundar Private Limited	Director		
Baylife Medicare Private Ltd	Director		
Abhinava Rizeal Private Limited	Director		
Suvarchas Vidyut Private Limited	Director		
Svachish Techvest Private Limited	Director		
Cafoma Autoparts Private Limited	Director		
Unique Technologies	Partner		
Sree Sankara College Association	Director		
Shri Venkatramanan Krishnan			
Synmax Consultants & Trading Private Limited	Director		
Sivasundar Private Limited	Director		
Baylife Medicare Private Ltd	Director		
Unique Technologies	Partner		
DETAILS OF PAYMENTS MADE TO RELATED PERSONS:		in ₹	
Vidyashankar Krishnan		8,50,53,071	
K.Venkatramanan		8,47,22,362	
N. Srinivasan		15,000	
V. Vaidyanathan		5,70,000	
A. Gopalakrishnan		5,90,000	
Kavitha Vijay		5,90,000	
Sumita Vidyashankar		5,95,000	
Advance to DVS Industries (P) Limited - Subsidiary		(1,69,12,871)	
Advance to Cafoma Industries (P) Limited - Subsidiary		-	
Advance to Suvarchas Vidyut (P) Limited - Subsidiary		8,22,20,844	
Universal Legal		16,35,710	

Particulars		As at 31st March 2023	As at 31st March 2022		
29.3	The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below: Receivable/ (Payable) in Foreign Currency	Receivable/ (Payable) NIL	Receivable/ (Payable) NIL		
Particulars		For the year ended 31 Mar 2023	For the year ended 31 Mar 2022		
29.4	Value of imports calculated on CIF basis				
	Raw materials	135.71	-		
	Consumable Stores / Tools	197.73	36.14		
	Machinery Spares	3.12	-		
	Capital goods	4,653.76	1,447.95		
29.5	Expenditure in foreign currency				
	Travelling	119.46	49.85		
	Export Expenses	490.41	383.51		
	Staff Training	-	8.62		
29.6	Details of consumption of imported and indigenous items				
		As at 31st March 2023		As at 31st March 2022	
	<u>Imported</u>	₹ in Lakhs	%	₹ in Lakhs	%
	Raw materials	135.71	0.18%	-	0.00%
	Consumable Stores / Tools	197.73	2.34%	36.14	0.61%
	Machinery Spares	3.12	0.18%	-	0.00%
		336.56		36.14	
	<u>Indigenous</u>				
	Raw materials	73,299.79	99.82%	52,280.87	100.00%
	Consumable Stores / Tools	8,260.80	97.66%	5,924.50	99.39%
	Machinery Spares	1,757.60	99.82%	1,576.49	100.00%
		83,318.19		59,781.86	
Particulars		For the year ended 31 Mar 2023	For the year ended 31 Mar 2022		
29.7	Earnings in foreign exchange				
	Export of goods calculated on CIF basis	48,047.63	53,194.97		
Note 30 Disclosures under Accounting Standards (contd.)					
Particulars		As at 31st March 2023	As at 31st March 2022		
30.1	Details of government grants	Nil	Nil		
30.2	Details of borrowing costs capitalised				
	Borrowing costs capitalised during the year				
	- as fixed assets / intangible assets / capital work-in-progress	12.50	99.03		
	- as inventory	-	-		
30.3	- Claims against the Company not acknowledged as debts	NA	NA		
Note 31 Deferred Tax Liability					
Tax Effect of Items constituting the same:-					
on difference between book balance and tax balance of Fixed Assets		3,818.32	3,517.13		



CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES			
Name of the Company M M FORGINGS LIMITED Cash Flow Statement for the year ended 31st Mar 2023 Particulars	Standalone		
	₹ in Lakhs		
	For the Year ended 31 Mar 2023	For the Year ended 31 Mar 2022	
A. Cash flow from operating activities			
Net Profit / (Loss) before extraordinary items and tax		17,485.06	13,289.54
<i>Adjustments for:</i>			
Depreciation and amortisation	6,759.56		6,010.61
(Profit) / Loss on sale / write off of assets	(0.65)		(0.13)
Finance costs	2,922.02		2,731.18
Interest income	(477.85)		(498.79)
Dividend income	(794.24)		(831.98)
Operating Profit / (Loss) before working capital changes		8,408.84	7,410.89
		25,893.90	20,700.43
<i>Changes in working capital:</i>			
<i>Adjustments for (increase) / decrease in operating assets:</i>			
Inventories	(9,529.49)		(2,415.47)
Trade receivables	(6,181.67)		(4,474.04)
Short-term loans and advances	1,908.62		(223.90)
Long-term loans and advances	(1,500.40)		402.42
Other current assets	(1.04)		41.15
Other non-current assets	(305.49)		826.93
<i>Adjustments for increase/(decrease) in operating liabilities</i>			
Trade payables	4,390.32		1,997.76
Other current liabilities	1,270.43		547.29
Other long-term liabilities	(287.25)		10.14
Cash generated from operations		(10,235.97)	(3,287.72)
Net income tax (paid) / refunds		15,657.93	17,412.71
		(4,241.32)	(2,684.38)
Net cash flow from / (used in) operating activities (A)		11,416.61	14,728.33
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		(15,230.21)	(11,131.80)
Proceeds from sale of fixed assets		0.65	0.13
Long Term Investments		(1,684.00)	(2,800.00)
Interest received		477.85	498.79
Dividend received		794.24	831.98
Net cash flow from / (used in) investing activities (B)		(15,641.47)	(12,600.90)
C. Cash flow from financing activities			
Proceeds from long-term borrowings(Net)		7,500.00	14,488.73
Proceeds from Issue of Preference Share Capital			
Repayment of long-term borrowings(Net)		(9,208.11)	(9,601.99)
Advance to Subsidiary Company		737.26	(54.46)
Net increase / (decrease) in working capital borrowings		7,638.99	1,025.05
Finance cost		(2,922.02)	(2,731.18)
Interim Dividend / Tax on Dividend		-	-
Dividends paid		(1,448.45)	(1,207.04)
Tax on dividend			(248.05)
Net cash flow from / (used in) financing activities (C)		2,297.67	1,671.06
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(1,927.19)	3,798.49
Cash and cash equivalents at the beginning of the year		22,400.87	18,602.38
Cash and cash equivalents at the end of the year		20,473.68	22,400.87
		(1,927.19)	3,798.49

In terms of our report even date

For **G Ramesh Kumar & Co.**
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing
Director
(DIN: 00081441)

K. Venkatramanan
Joint Managing Director
(DIN: 00823317)

V. Vaidyanathan
Director
(DIN: 00081792)

G. Ramesh Kumar
Partner
Membership no. 018663

A. Gopalakrishnan
Director
(DIN: 06414546)

Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrishnan
Chief Financial Officer



CONSOLIDATED
FINANCIAL STATEMENT 2022 - 23



INDEPENDENT AUDITORS' REPORT
To the Members of MM Forgings Limited
Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of M M Forgings Limited (hereinafter referred to as “the Company”) and its subsidiaries (the Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at **March 31, 2023**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as “the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **March 31, 2023** and its consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the ‘Auditors’ Responsibilities for the Audit of the Consolidated 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 (“ICAI”) 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 ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor’s Response
	NIL	



Information other than the financial statements and Auditors' 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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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 the fact. We have nothing to report in this regard.

Management's Responsibilities for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 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 presentation of the consolidated financial statements by the Directors of the Company.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective companies or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 financial results, 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 and its subsidiary companies which are companies incorporated in India, have 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 auditors' report to the related disclosures in the consolidated financial results 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 auditors' 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 financial statements, including the disclosures, and whether the consolidated 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 within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company 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 financial statements of the current period 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. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. As required by Section 143(3) of the Act, based on our audit, 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 of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the Directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company and our reports as statutory auditors of the subsidiary companies, none of the Directors of the Group companies incorporated in India is disqualified as on **March 31, 2023** 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 system with reference to financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness internal financial controls with reference to financial statements of those companies.
 - g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.



- h) With respect to the other matters to be included in the Auditors' 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:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated 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 Company and its subsidiary companies incorporated in India.
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of its subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of its subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of its subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) & (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As stated in the consolidated financial statements
 - i. Interim Dividend was declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - ii. The Board of Directors of the Company has declared interim dividend for the year. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable



with effect from April 1, 2023 to the Company and its subsidiaries, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For G Ramesh Kumar & Co.,
CHARTERED ACCOUNTANTS**
Firm Registration No. 003010S

G. RAMESH KUMAR
Partner

Membership no. 018663
UDIN: 23018663BGUFZC6289

Place: Tiruchirapalli
Date: 17 May 2023

Annexure A to the Auditors' Report

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 financial statements, of M M Forgings Ltd ('the Company') and its subsidiary companies, which are companies incorporated in India, as of **31st March 2023**, in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are 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 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 financial statements, of the Company and its subsidiary companies, which are companies incorporated in India, 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial

controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 consolidated 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 internal financial control systems over financial reporting with reference to financial statements, of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 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 financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely direction of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial control system over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at **31st March 2023**, based on the internal control over financial reporting criteria established by the respective companies 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 G Ramesh Kumar & Co.,
CHARTERED ACCOUNTANTS**
Firm Registration No. 003010S

G. RAMESH KUMAR
Partner
Membership no. 018663
UDIN: 23018663BGUFZC6289

Place: Tiruchirapalli
Date: 17 May 2023



Consolidated Balance Sheet as at 31st March 2023		₹ in Lakhs	
Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
A ASSETS			
1 Non-current Assets			
1.1 Property, Plant and Equipment			
1.1.1 Property, Plant and Equipment	3	80,421.16	70,816.95
1.1.2 Capital work-in-progress		6,256.84	3,638.07
		86,678.00	74,455.02
1.2 Financial Assets			
1.2.1 Non-current investments	4	2,229.14	2,229.14
1.2.2 Long-term loans and advances	5	1,447.06	1,340.27
1.3 Other non-current assets	6	1,679.18	1,519.96
		5,355.38	5,089.37
2 Current Assets			
2.1 Inventories	7	30,579.53	20,380.03
2.2 Financial Assets			
2.2.1 (i) Trade receivables	8	19,663.34	15,684.86
2.2.2 (ii) Cash and cash equivalents	9	21,804.87	22,601.51
2.2.3 (iii) Bank balances other than (ii) above		55.26	53.72
2.2.4 (iv) Short-term loans and advances	10	1,867.36	3,149.98
2.3 Other current assets	11	8.29	8.79
		73,978.65	61,878.89
		1,66,012.03	1,41,423.28
B EQUITY AND LIABILITIES			
1 Equity			
1.1 Equity Share capital	12	2,414.08	2,414.08
1.2 Other Equity	13	64,886.51	53,541.13
1.3 Equity attributable to owners		67,300.59	55,955.21
1.4 Non-controlling interest		36.00	-
		67,336.59	55,955.21
2 Non-current liabilities			
2.1 Financial liabilities			
2.1.1 (i) Long-term borrowings	14	33,215.31	34,997.44
2.2 Deferred tax liabilities (net)		3,112.67	2,836.31
2.3 Other long-term liabilities	15	430.52	691.41
		36,758.50	38,525.16
3 Current liabilities			
3.1 Financial liabilities			
3.1.1 (i) Short-term borrowings	16	32,232.38	24,583.52
3.1.2 (ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	17	16,655.15	10,984.11
3.2 Other current liabilities	18	10,197.76	8,927.29
3.3 Short-term provisions	19	2,831.66	2,447.99
		61,916.95	46,942.91
TOTAL		1,66,012.03	1,41,423.28

See accompanying notes forming part of the financial statements

In terms of our report even date

For **G Ramesh Kumar & Co.**
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

K. Venkatramanan
Joint Managing Director
(DIN: 00823317)

V. Vaidyanathan
Director
(DIN: 00081792)

G. Ramesh Kumar
Partner
Membership no. 018663

A. Gopalakrishnan
Director
(DIN: 06414546)

Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrisnan
Chief Financial Officer



Consolidated Profit and Loss Account for the year ended 31st March 2023		₹ in Lakhs	
Particulars	Note No.	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
A CONTINUING OPERATIONS			
1 Revenue from operations	20	1,46,188.19	1,13,963.12
2 Other income	21	1,204.03	1,423.37
3 Total Income (1+2)		1,47,392.22	1,15,386.49
4 Expenses			
4.1 Cost of materials consumed	22	74,416.32	52,505.12
4.2 Changes in inventories of Finished Goods / Work-In-Process	23	(6,016.07)	(2,052.76)
4.3 Employee benefits expense	24	13,939.86	12,438.45
4.4 Finance costs	25	2,956.57	2,772.62
4.5 Depreciation and amortisation expenses	3.3	7,881.27	6,776.59
4.6 Other expenses	26	36,564.47	30,208.05
Total expenses (4)		1,29,742.42	1,02,648.07
5 Profit / (Loss) before exceptional items and tax (3 - 4)		17,649.80	12,738.42
6 Exceptional items			
7 Profit on Sale of Business Asset	21.5	45.11	147.27
8 Profit / (Loss) before tax (5 ± 6)		17,694.91	12,885.69
8 Tax expense:			
8.1 Current tax expense for current year		4,625.00	2,599.52
8.2 Tax expense relating to prior years		(0.31)	72.55
8.3 Net current tax expense		4,624.69	2,672.07
8.4 Mat Credit adjusted		-	-
8.5 Deferred tax Liability / (Asset)		276.36	1,114.08
		4,901.05	3,786.15
9 Profit / (Loss) from continuing operations (7 ± 8)		12,793.86	9,099.54
B DISCONTINUED OPERATIONS			
10 Profit / (Loss) from discontinued operations		-	-
11 Tax expenses of discontinued operations		-	-
12 Profit / (Loss) from discontinued operations (10 ± 11)		-	-
C TOTAL OPERATIONS			
13 Profit / (Loss) for the year (9 ± 12)		12,793.86	9,099.54
14 Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax		-	-
15 Total Comprehensive Income for the year (13 + 14) comprising Profit/ (Loss) and Other Comprehensive Income for the year		12,793.86	9,099.54
16 Earnings per share (of Rs. 10 /- each):			
16.1 Basic			
16.1.1 Continuing operations		53.00	37.69
16.1.2 Discontinued operations		-	-
16.1.3 Total operations		53.00	37.69
16.2 Diluted			
16.2.1 Continuing operations		53.00	37.69
16.2.2 Discontinued operations		-	-
16.2.3 Total operations		53.00	37.69
See accompanying notes forming part of the financial statements			

In terms of our report even date

For **G Ramesh Kumar & Co.**
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

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Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrishnan
Chief Financial Officer

Notes forming part of the consolidated financial statements

1 Corporate information

The Company is engaged in the manufacture of Steel Forgings. The plants for manufacture are located at Singampunari - Sivagangai District, Viralimalai - Pudukkottai District and Karanaithangal Village Kanchipuram District, all within the state of Tamil Nadu. The Company has its machining plant in Kursi Road, Barabanki situated in the state of Uttar Pradesh. The 100% owned Subsidiary Companies - DVS Industries Pvt. Ltd., located in the state of Uttarakhand, Cafoma Autoparts Pvt. Ltd., and Suvarchas Vidyut Pvt. Ltd., location in the state of Tamil Nadu. The Company has acquired 88% stake in Abhinava Razel Pvt. Ltd.

2 Significant accounting policies followed by the Company: -

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Sales does not include GST.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Work-in-progress and finished goods include appropriate proportion of overheads.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortisation

Depreciation has been provided on straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013 and accelerated depreciation is provided, wherever necessary.



Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and the residual value of the assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The expected life is based on historic experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology.

Property, Plant and Equipment are stated at Cost less accumulated Depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the Property, Plant and Equipments are put to use. The Company depreciates Property, Plant and Equipment over their estimated useful life using Straight Line Method.

The estimated useful life of assets are as follows:

Particulars

Building	30 Years
Plant and Machinery	15 Years
Office Equipment	5 Years
Computer Equipments	5 Years
Furniture and Fittings	10 Years
Vehicles	5 Years

Based on technical evaluation, the Management believes that the useful life as given above represents the period over which the Management expects to use these assets. Hence, the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II to The Companies Act, 2013. Depreciation method, useful life and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet Date is classified as Capital Advances under Other Non-Current assets and the cost of assets not put to use before such date are disclosed under Capital Work in Progress. Subsequent expenditures relating to Property, Plant and Equipment are capitalised only when it is possible that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and Maintenance Costs are recognised in Net Profit in the Statement of Profit And Loss when incurred.

The cost and related accumulated Depreciation are eliminated from the Financial Statements upon sale or retirement of the Asset and the resultant Gains or Losses are recognised in the Statement of Profit and Loss. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

2.7 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales does not include GST.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.



2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes all expenses incurred in connection with the acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Foreign currency transactions and translations

Initial recognition Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

The Loss, if any, in the case of foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are considered / restated at the year-end rates. However, gains if any, are not considered.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. The amount capitalised in the current year is ₹769.46 Lakhs (Last Year ₹(275.30) Lakhs).

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts.

2.11 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund / Superannuation fund, the same are covered under Group Gratuity Scheme of LIC and Superannuation Fund with LIC.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

2.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

2.14 Segment reporting

The Company is engaged in only one segment - Manufacture of Steel Forgings.

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the statement of Profit and Loss.

2.17 Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.18 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.19 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



Statement of Changes in Equity for the year ended 31st Mar 2023

₹ in Lakhs

A. Equity Share Capital

(1) For the year 2022-23

Balance as at 1-Apr-2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1-Apr-2022	Changes in equity share capital during 2022-23	Balance as at 31-Mar-2023
2414.08	0.00	2414.08	0.00	2414.08

(2) For the year 2021-22

Balance as at 1-Apr-2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1-Apr-2021	Changes in equity share capital during 2021-22	Balance as at 31-Mar-2022
2414.08	0.00	2414.08	0.00	2414.08

B. Other Equity

(1) For the year 2022-23

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium	General Reserve	Retained earnings	Total
Balance as at 1-Apr-2022	19.60	324.40	56124.68	(2927.55)	53541.13
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balance as at 1-Apr-2022	19.60	324.40	56124.68	(2927.55)	53541.13
Total comprehensive income for the year 2022-23	0.00	0.00	0.00	12793.86	12793.86
Dividends	0.00	0.00	0.00	(1448.45)	(1448.45)
Transfer from Retained earnings	0.00	0.00	11110.00	(11110.00)	0.00
Any other change	0.00	0.00	0.00	0.00	0.00
Balance as at 31-Mar-2023	19.60	324.40	67234.68	(2692.14)	64886.51

(2) For the year 2021-22

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium	General Reserve	Retained earnings	Total
Balance as at 1-Apr-2021	4.60	324.40	47692.05	(1719.00)	46302.05
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balance as at 1-Apr-2021	4.60	324.40	47692.05	(1719.00)	46302.05
Total comprehensive income for the year 2021-22	0.00	0.00	0.00	9099.52	9099.52
Transfer from the new Subsidiary Company	15.00	0.00	707.63	(1134.62)	(411.99)
Dividends	0.00	0.00	0.00	(1448.45)	(1448.45)
Transfer from Retained earnings	0.00	0.00	7725.00	(7725.00)	0.00
Any other change	0.00	0.00	0.00	0.00	0.00
Balance as at 31-Mar-2022	19.60	324.40	56124.68	(2927.55)	53541.13


Note 3 Property, Plant and Equipments

3.1	Tangible Assets	Gross block							Balance as at 31st Mar 2023
		Balance as at 1st April 2022	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31st Mar 2023	
		₹ in lakhs							
3.1.1	Land	7151.26	818.57	0.00	0.00	0.00	0.00	0.00	7969.83
3.1.2	Buildings	16210.51	787.78	0.00	0.00	0.00	0.00	0.00	16998.29
3.1.3	Plant and Equipment	113714.21	14766.66	72.43	769.46	12.50	0.00	0.00	129190.40
3.1.4	Furniture and Fixtures	334.98	7.03	0.00	0.00	0.00	0.00	0.00	342.01
3.1.5	Vehicles	992.17	211.36	26.28	0.00	0.00	0.00	0.00	1177.25
3.1.6	Office equipment	2051.36	123.56	0.00	0.00	0.00	0.00	0.00	2174.92
3.1.7	Goodwill	265.68	0.00	0.00	0.00	0.00	0.00	0.00	265.68
	Total	140720.17	16714.96	98.71	769.46	12.50	0.00	0.00	158118.38
	Previous year	117141.89	9418.72	0.00	-275.30	99.03	0.00	0.00	126384.34

All the Assets are Free Hold except leasehold land at Lucknow and land at Rudrapur for Subsidiary

3.2	Tangible Assets	Accumulated depreciation and impairment				Net block	
		Balance as at 1st April 2022	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31st Mar 2023	Balance as at 1st April 2022
		₹ in lakhs					
3.2.1	Land	0.00	0.00	0.00	0.00	0.00	7151.26
3.2.2	Buildings	3970.38	557.89	0.00	0.00	4528.27	12240.13
3.2.3	Plant and Equipment	63064.25	7117.55	64.42	0.00	70117.38	50649.96
3.2.4	Furniture and Fixtures	305.66	24.19	0.00	0.00	329.85	29.32
3.2.5	Vehicles	744.87	57.39	22.84	0.00	779.42	247.30
3.2.6	Office equipment	1818.05	124.25	0.00	0.00	1942.30	233.31
3.2.7	Goodwill	0.00	0.00	0.00	0.00	0.00	265.68
	Total	69903.21	7881.27	87.26	0.00	77697.22	70816.96
	Previous year	63306.82	6776.59	180.19	0.00	69903.22	68254.42



Depreciation and amortisation relating to continuing operations: Particulars		For the year ended	For the year ended
		31 Mar 2023	31 Mar 2022
		₹ in lakhs	
3.3	Depreciation and amortisation for the year on tangible assets as per Note 12 A	7,881.27	6,776.59
	Depreciation and amortisation for the year on intangible assets as per Note 12 B	-	-
	Less: Utilised from revaluation reserve	-	-
	Depreciation and amortisation relating to discontinuing operations (Refer Note 30.11)	-	-
	Depreciation and amortisation relating to continuing operations	7,881.27	6,776.59

Note 4 Non-current investments

Particulars	As at 31st March 2023		As at 31st March 2022	
	Quoted	Unquoted	Quoted	Unquoted
	₹ in lakhs			
Investments (At cost):				
4.1 Trade	NIL	NIL	NIL	NIL
4.2 Other investments				
4.2.1 Investment in equity instruments	14.10	2,215.04	14.10	2,215.04
- Fully Paid				
Total - Other investments (4.2)	14.10	2,215.04	14.10	2,215.04
Less: Provision for diminution in value of investments				
Total			2,229.14	2,229.14
Aggregate amount of quoted investments	14.10		14.10	14.10
Aggregate market value of listed and quoted investments	33.86		33.86	17.84



Particulars	₹ in Lakhs	
	As at 31st March 2023	As at 31st March 2022
Note 5 Long-term loans and advances		
5.1 Security deposits		
Secured, considered good		
Unsecured, considered good	1,112.74	1,246.80
Doubtful	-	-
	1,112.74	1,246.80
Less: Provision for	-	-
	1,112.74	1,246.80
5.2 Advance Income Tax	333.02	160.78
5.3 Mat Credit Available	1.30	19.90
5.4 Balances with government authorities		
Unsecured, considered good		
5.4.1 DVS Industries (P) Limited	-	54.80
5.4.2 Cafoma Autoparts Pvt Ltd	-	(142.01)
5.4.3 Suvarchas Vidyut Private Limited	-	-
	-	(87.21)
Total	1,447.06	1,340.27
Note: Long-term loans and advances - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director		
Note 6 Other non-current		
6.1 Long Term Inventories		
(At lower of cost and net realisable value)		
6.1.1 Raw materials	470.55	178.09
6.1.2 Work-in-progress - Steel Forgings	287.33	185.59
6.1.3 Stores & Spares	233.93	323.92
6.1.4 Consumable Tools	1.72	-
Total	993.53	687.60
6.2 Other Assets		
6.2.1 Sundry Debtors	561.42	538.38
6.2.2 Advance to Suppliers	124.23	293.98
6.2.3 Insurance claims	-	-
Total	1,679.18	1,519.96
Note 7 Inventories		
(At lower of cost and net realisable value)		
7.1 Raw materials	14,319.86	10,392.78
7.2 Work-in-progress - Steel Forgings	14,799.05	8,903.70
7.3 Stores and spares	655.73	487.06
7.4 Consumable Tools	804.89	596.49
Total	30,579.53	20,380.03
Note 8 Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	19,663.34	15,684.86
Doubtful		
	19,663.34	15,684.86
Less: Provision for doubtful trade receivables	-	-
Total	19,663.34	15,684.86
Note: Trade Receivables - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director		



Note 9 Cash and cash equivalents		₹ in Lakhs			
Particulars	As at 31st March 2023	As at 31st March 2022			
9.1 Cash on hand	67.36	63.95			
9.2 Cheques, drafts on hand	-	-			
9.3 Investments in Liquid funds	20,352.86	19,182.55			
9.4 Balances with banks					
9.4.1 In current accounts	1,288.82	289.43			
9.4.2 In deposit accounts (Refer Note below)	95.83	3,065.58			
Total	21,804.87	22,601.51			
Note 10 Short-term loans and advances		₹ in Lakhs			
10.1 Loans and advances to employees					
Secured, considered good					
Unsecured, considered good	345.69	241.18			
Doubtful	-	-			
	345.69	241.18			
Less: Provision for doubtful loans and advances	-	-			
	345.69	241.18			
10.2 Prepaid expenses - Unsecured, considered good	202.49	123.44			
10.3 Balances with government authorities - Unsecured, considered good	-	-			
10.3.1 GST credit receivable	878.27	2,560.05			
10.4 Others					
Secured, considered good	-	-			
Unsecured, considered good	440.91	225.31			
Doubtful	-	-			
	440.91	225.31			
Less: Provision for other doubtful loans and advances	-	-			
	440.91	225.31			
Total	1,867.36	3,149.98			
Note: Short-term loans and advances - No amount is due from any Directors, Other Officers of the Company, Firms in which any Director is a partner, Private Companies in which any Director is a Director					
Note 11 Other current assets					
11.1 Insurance claims		8.29	8.79		
Total		8.29	8.79		
Note 12 Share capital		As at 31st March 2023		As at 31st March 2022	
Particulars	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	
12.1 Authorised					
Equity shares of ₹ 10 each with voting rights	3,00,00,000	3,000.00	3,00,00,000	3,000.00	
12.2 Issued					
Equity shares of ₹ 10 each with voting rights	2,44,32,000	2,414.32	2,44,32,000	2,414.32	
12.12 Subscribed and fully paid up					
Equity shares of ₹ 10 each with voting rights	2,41,40,800	2,414.08	2,41,40,800	2,414.08	
(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
Particulars	Opening Balance	Buy back	Other changes (give details)	Closing Balance	
Equity shares with voting rights					
Year ended 31 March, 2023					
- Number of shares	2,41,40,800			2,41,40,800	
- Amount ₹ in lakhs 2,414.08					
Year ended 31 March, 2022					
- Number of shares	2,41,40,800			2,41,40,800	
- Amount ₹ in lakhs 2,414.08					
(2) Details of shares held by each shareholder holding more than 5% shares:					
Class of Shares	As at 31st March 2023		As at 31st March 2022		
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Synmax Consultants and Trading Pvt Ltd	57,96,000	24.01	57,96,000	24.01	
Vidyashankar Krishnan	27,20,240	11.27	27,20,240	11.27	
Venkatramanan Krishnan	25,84,960	10.71	25,84,960	10.71	
(3) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.					
Particulars - Aggregate number of shares		As at 31st March 2023	As at 31st March 2022		
Equity shares with voting rights		2,41,40,800	2,41,40,800		
Fully paid up by way of bonus shares					



Note 13 Other Equity Particulars	₹ in Lakhs	
	As at 31st March 2023	As at 31st March 2022
13.1 Capital reserve		
Opening balance	19.60	19.60
Add: Additions during the year	-	-
Less: Utilised / transferred during year	-	-
Closing balance	19.60	19.60
13.2 Securities premium account		
Opening balance	324.40	324.40
Closing balance	324.40	324.40
13.3 General reserve		
Opening balance	56,124.68	48,399.68
Add: Transferred from surplus in Statement of Profit and Loss	11,110.00	7,725.00
Less: Utilised / transferred during the year for Interim Dividend / Dividend Tax	-	-
Closing balance	67,234.68	56,124.68
13.4 Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(2,927.55)	(2,853.62)
Add: Profit for the year	12,793.83	9,099.53
Less: Interim dividend	-	-
Dividends proposed to be distributed to equity shareholders	1,448.45	1,448.45
Transferred to: General Reserve	11,110.00	7,725.00
Closing balance	(2,692.17)	(2,927.55)
Total	64,886.51	53,541.13

Note 14 Long-term borrowings Particulars	₹ in Lakhs	
	As at 31st March 2023	As at 31st March 2022
Term Loans From Banks		
Secured	32,910.71	34,618.83
Others	304.60	378.61
Total	33,215.31	34,997.44

14.1 Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	₹ in Lakhs		₹ in Lakhs	
	As at 31st March 2023		As at 31st March 2022	
	Secured	Unsecured	Secured	Unsecured
Term loans from banks:				
Bank SBI (Formerly SBT)	-	-	505.99	-
SBI	4,127.31	-	4,657.93	-
DBS - Loan	4,453.53	-	5,753.42	-
HDFC	17,950.49	-	13,451.89	-
Federal	2,798.40	-	3,625.11	-
ICICI	9,039.18	-	10,944.06	-
SCB	4,684.26	-	4,554.00	-
Total - Term loans from banks	43,053.17	-	43,492.40	-
Less: Amounts due within 12 Months	10,142.46	-	8,873.57	-
Total - Term loans from banks	32,910.71	-	34,618.83	-
14.1.1 City Union Bank	304.60	-	378.61	-
14.2 Terms of Security / Repayment				

All loans secured by the charge over Fixed Assets of the Company except the lands at Singampunari / Viralimalai

14.4 Instalments Payable

Year	SBI	DBS	HDFC	Federal	ICICI	SCB	Total
2023 - 2024	922.52	1,649.21	3,662.09	1,017.60	1,904.88	986.16	10,142.46
2024 - 2025	922.52	1,649.21	4,197.80	1,017.60	1,904.88	986.16	10,678.17
2025 - 2026	922.52	1,155.11	2,826.77	763.20	1,904.88	986.16	8,558.64
2026- 2027	922.52	-	2,197.80	-	1,904.88	986.16	6,011.36
2027- 2028	437.23	-	2,197.80	-	1,419.66	739.62	4,794.31
2028- 2029	-	-	2,868.23	-	-	-	2,868.23
TOTAL	4,127.31	4,453.53	17,950.49	2,798.40	9,039.18	4,684.26	43,053.17

Details of long-term borrowings guaranteed by some of the directors or others: **NIL**

For the current maturities of long-term borrowings, refer items 18.1 - Other current liabilities.

No default in the servicing / repayment of the loans.



Note 15 Other long-term liabilities		₹ in Lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
15.1 Trade Payables			
Other than acceptances	-	80.22	
15.2 Others			
Rental Advance Received	243.09	216.74	
Payables on Purchase of Fixed Assets	86.32	253.46	
Provision for Gratuity and Compensated absence	14.56	14.55	
Advance from Customers	86.55	126.44	
Total	430.52	691.41	
Note 16 Short-term borrowings		₹ in Lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
16.1 Loans repayable on demand from Banks			
Secured	32,232.38	22,011.12	
Unsecured	-	2,572.40	
Total	32,232.38	24,583.52	
Note: Details of security for the secured short-term borrowings:			
Particulars	Nature of Security	As at 31st March 2023	As at 31st March 2022
Loans repayable on demand from Banks	Hypothecation of Inventory/ Book Debts	32,166.53 65.85	24,527.54 55.98
Total - from banks	Rate of Interest 6.96%	32,232.38	24,583.52
No Default in the Servicing of the facility availed.			
Note 17 Trade payables			
Trade Payables - Other than Acceptances		16,655.15	10,984.11
Total		16,655.15	10,984.11
Note 18 Other current liabilities			
18.1 Current maturities of long-term debt - Secured		10,142.46	8,873.57
18.2 Unpaid dividends		55.26	53.72
Total		10,197.72	8,927.29
Note : Current maturities of long-term debt (Refer Notes 14.1 - Long Term Borrowings for details of Security)			
Note 19 Short Term Provisions			
19.1 Provision for tax (net of advance tax)		1,383.21	999.52
19.2 Provision for proposed equity dividend		1,448.45	1,448.45
19.3 Provision for tax on proposed dividend		-	-
Total		2,831.66	2,447.97
Note 20 Revenue from operations		₹ in Lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
20.1 Sale of products	1,44,771.28	1,12,296.67	
20.2 Other operating revenues	1,416.91	1,666.45	
Total	1,46,188.19	1,13,963.12	
20.1.1 Sale of products comprises			
<u>Manufactured goods</u>			
Steel Forgings	1,44,771.28	1,12,296.67	
Total - Sale of products	1,44,771.28	1,12,296.67	
20.2.1 Other operating revenues			
Power Generated	1,416.91	1,666.45	
Total - Other operating revenues	1,416.91	1,666.45	
Note 21 Other income		₹ in Lakhs	
21.1 Interest income from Bank Deposits		69.74	64.82
21.2 Dividend income: from long-term investments		794.24	831.98
21.3 Miscellaneous Income		220.59	379.43
21.4 Others		119.46	147.14
		1,204.03	1,423.37
21.5 Profit on Sale of business assets		45.11	147.27
Total		1,249.14	1,570.64



Note 22 Cost of materials consumed		As at 31st March 2023	As at 31st March 2022	
		₹ in Lakhs		
Opening stock		10,570.87	10,448.03	
Add: Purchases		78,635.86	52,627.96	
		89,206.73	63,075.99	
Less: Closing stock		14,790.41	10,570.87	
Cost of material consumed		74,416.32	52,505.12	
Material consumed comprises: Raw material Steel Billets				
Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade				
<u>Inventories at the end of the year:</u>		₹ in Lakhs		
Work-in-progress Forgings		15,086.38	9,028.67	
<u>Inventories at the beginning of the year:</u>				
Work-in-progress Forgings		9,070.31	6,975.98	
Net (increase) / decrease		(6,016.07)	(2,052.69)	
Note 24 Employee benefits expense		₹ in Lakhs		
24.1 Salaries and wages		10,633.91	9,634.38	
24.2 Managerial Remuneration		1,717.75	1,427.51	
24.2 Contributions to provident and other funds		455.08	438.94	
24.3 Staff Gratuity		63.94	30.33	
24.4 Staff welfare expenses		1,069.18	907.29	
Total		13,939.86	12,438.45	
Note 25 Finance costs		₹ in Lakhs		
Interest expense on: Borrowings		2,956.57	2,772.62	
Total		2,956.57	2,772.62	
Note 26 Other expenses		₹ in Lakhs		
Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
26.1 Consumption of Stores			3,744.10	2,981.06
26.2 Consumption of Tools			5,367.79	3,611.32
26.3 Outside Labour			1,766.91	970.90
26.4 Power and fuel			12,834.49	9,541.18
26.5 Repairs and Maintenance				
26.5.1 Buildings	147.57	114.21		
26.5.2 Machinery	1,191.58	1,135.09		
26.5.3 Machinery Spares	1,870.31	1,718.56	3,209.46	2,967.86
26.6 Selling Expenses			2,828.85	1,963.74
26.6 Export Expenses				
26.7.1 Packing & Forwarding	976.94	954.48		
26.7.2 Freight	2,638.75	4,716.19		
26.7.3 Commission	-	-		
26.7.4 Warehousing Charges	789.95	490.17		
26.7.5 Others	121.52	126.63	4,527.16	6,287.47
26.8 Loss on fixed assets sold / scrapped / written off			-	6.92
26.9 Miscellaneous expenses			2,285.71	1,877.60
Total			36,564.47	30,208.05
Miscellaneous expenses				
As auditors - statutory audit			30.31	24.25
For taxation matters			3.52	1.77
Reimbursement of Expenses			2.48	0.17
Total			36.31	26.19
Note 27 Additional information to the financial statements		₹ in Lakhs		
Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
27.1 Contingent liabilities and commitments (to the extent not provided for)				
27.1.1 Contrinenget Liabilities - Foreign Bills Discounted with Bank			-	623.57
Note 28 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		NIL	NIL	



Particulars		As at 31st March 2023	As at 31st March 2022		
29.3	The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below: Receivable/ (Payable) in Foreign Currency	Receivable/ (Payable)	As at 31st March 2022		
		NIL	NIL		
Particulars		For the year ended 31 Mar 2023	For the year ended 31 Mar 2022		
29.4	Value of imports calculated on CIF basis				
	Raw materials	135.71	-		
	Consumable Stores / Tools	197.73	36.14		
	Machinery Spares	3.12	6.37		
	Capital goods	4,653.76	1,447.95		
29.5	Expenditure in foreign currency				
	Travelling	119.46	49.85		
	Export Expenses	490.41	383.51		
	Staff Taining	-	8.62		
29.6	Details of consumption of imported and indigenous items				
		As at 31st March 2023		As at 31st March 2022	
	<u>Imported</u>	₹ in Lakhs	%	₹ in Lakhs	%
	Raw materials	135.71	0.82%	-	0.00%
	Consumable Stores / Tools	197.73	2.20%	36.14	0.55%
	Machinery Spares	30.14	1.61%	6.37	0.37%
		363.58		42.51	
	<u>Indigenous</u>				
	Raw materials	78,940.61	99.83%	56,514.54	100.00%
	Consumable Stores / Tools	8,782.78	96.39%	6,556.24	99.45%
	Machinery Spares	1,838.93	98.32%	1,712.19	99.63%
		89,562.32		64,782.97	
Particulars		For the year ended 31 Mar 2023	For the year ended 31 Mar 2022		
29.7	Earnings in foreign exchange Export of goods calculated on CIF basis	48,047.63	53,194.97		
Note 30 Disclosures under Accounting Standards (contd.)					
Particulars		As at 31st March 2023	As at 31st March 2022		
30.1	Details of government grants	Nil	Nil		
30.2	Details of borrowing costs capitalised				
	Borrowing costs capitalised during the year				
	- as fixed assets / intangible assets / capital work-in-progress	-	-		
	- as inventory	-	-		
30.3 - Claims against the Company not acknowledged as debts		NIL	NIL		
Note 31 Deferred Tax Liability					
Tax Effect of Items constituting the same:- on difference between book balance and tax balance of Fixed Assets		3,112.67	2,836.31		



CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES			
Name of the Company M M FORGINGS LIMITED	Consolidated		
Cash Flow Statement for the year ended 31st Mar 2023	₹ in Lakhs		
Particulars	For the Year ended 31 Mar 2023	For the Year ended 31 Mar 2022	
A. Cash flow from operating activities			
Net Profit / (Loss) before extraordinary items and tax		17,694.91	12,885.71
<u>Adjustments for:</u>			
Depreciation and amortisation	7,881.27	6,776.58	
(Profit) / Loss on sale / write off of assets	(45.11)	(139.97)	
Finance costs	2,956.57	2,772.62	
Interest income	(69.74)	(64.94)	
Dividend income	(794.24)	(831.98)	
		9,928.75	8,512.31
Operating Profit / (Loss) before working capital changes		27,623.66	21,398.02
<u>Changes in working capital:</u>			
<u>Adjustments for (increase) / decrease in operating assets:</u>			
Inventories	(10,199.50)	(2,400.22)	
Trade receivables	(1,996.40)	(3,712.51)	
Short-term loans and advances	(514.32)	(166.46)	
Long-term loans and advances	(167.43)	263.28	
Other current assets	(1.04)	41.15	
Other non-current assets	(159.22)	686.22	
<u>Adjustments for increase/(decrease) in operating liabilities</u>			
Trade payables	3,999.24	1,059.61	
Other current liabilities	3,151.06	512.75	
Other long-term liabilities	(571.18)	33.17	
		(6,458.79)	(3,683.01)
Cash generated from operations		21,164.87	17,715.01
Net income tax (paid) / refunds		(4,241.32)	(2,672.38)
Net cash flow from / (used in) operating activities (A)		16,923.55	15,042.63
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances	(20,115.37)	(11,338.43)	
Proceeds from sale of fixed assets	88.29	247.63	
Long Term Investments	36.00	(2,800.00)	
Interest received	480.09	503.37	
Dividend received	794.24	831.98	
Net cash flow from / (used in) investing activities (B)		(18,716.75)	(12,555.45)
C. Cash flow from financing activities			
Proceeds from long-term borrowings(Net)	7,500.00	14,649.32	
Proceeds from Issue of Preference Share Capital	-	-	
Repayment of long-term borrowings(Net)	(9,282.12)	(9,601.99)	
Advance to Subsidiary Company	(54.79)	-	
Net increase / (decrease) in working capital borrowings	7,648.86	1,030.86	
Finance cost	(3,366.92)	(3,211.43)	
Interim Dividend / Tax on Dividend	-	-	
Dividends paid	(1,448.45)	(1,207.04)	
Tax on dividend	-	(248.05)	
Net cash flow from / (used in) financing activities (C)		996.58	1,411.67
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(796.62)	3,898.85
Cash and cash equivalents at the beginning of the year	22,601.49	18,702.64	
Cash and cash equivalents at the end of the year	21,804.87	22,601.49	
		(796.62)	3,898.85

In terms of our report even date

For **G Ramesh Kumar & Co.**
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

K. Venkatramanan
Joint Managing Director
(DIN: 00823317)

V. Vaidyanathan
Director
(DIN: 00081792)

G. Ramesh Kumar
Partner
Membership no. 018663

A. Gopalakrishnan
Director
(DIN: 06414546)

Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrishnan
Chief Financial Officer



₹ in Lakhs

Annexure				
Form AOC-1				
Statement containing salient features of the financial statement of Subsidiaries				
Part "A" : Subsidiary				
Name of entity consolidated	D V S Industries Private Limited	Cafoma Autoparts Private Limited	Suvarchas Vidyut Private Limite	Abhinava Rizel Private Limited
Type of entity consolidated	Indian Subsidiary	Indian Subsidiary	Indian Subsidiary	Indian Subsidiary
Reporting period of the subsidiary concerned , of difference from the holding company's reporting period	N.A	N.A	N.A	N.A
Reporting currency and Exchange rate as on the last date pf the re;evat Financial year in the case of foreign subsidiaries	N.A	N.A	N.A	N.A
Share Capital	159.30	900.00	100.00	264.00
Share Capital - Non controlling interest				36.00
Reserves and Surplus	(1,556.67)	143.50	(160.44)	1,320.00
Total Assets	11,900.30	1,253.52	1,061.51	1,687.34
Total Liabilities	13,297.67	210.02	1,121.95	103.34
Investments	Nil	Nil	Nil	Nil
Turnover	9,534.59	1,049.12	753.14	
Profit before taxation	314.97	108.84	(213.96)	-
Provision for taxation / Deferred Tax	(0.31)	28.72	(53.55)	-
Profit after taxation	315.28	80.12	(160.41)	-
Proposed Dividend	Nil	Nil	Nil	Nil
% of Shareholding	100%	100%	100%	88%

Note

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquited or sold during the quarter : 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 – **NOT APPLICABLE**

Name of the Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet			
2. Date on which the Associates or Joint Venture was associates or acquired			
3. Shares of Associate or Joint Ventures held by the Company on the year end (i) No. of shares (ii) Amount of investment in Associates or Joint Ventures (iii) Extent of holding (in %)			
4. Description of how there is significant influence			
5. Reason why the associate / joint venture is not consolidated			
6. Networth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year (i) Considered in Consolidation (ii) Not considered in Consolidation			

- Names of the associates or joint ventures which are yet to commence activities. - NA
- Names of associates or joint ventures which have been liquidated or sold during the year. - NA

In terms of our report even date

For **G Ramesh Kumar & Co.**
Chartered Accountants
FRN 003010S

Vidyashankar Krishnan
Vice Chairman and Managing Director
(DIN: 00081441)

K. Venkatramanan
Joint Managing Director
(DIN: 00823317)

V. Vaidyanathan
Director
(DIN: 00081792)

G. Ramesh Kumar
Partner
Membership no. 018663

A. Gopalakrishnan
Director
(DIN: 06414546)

Sumita Vidyashankar
Director
(DIN: 00059062)

Kavitha Vijay
Director
(DIN: 01047261)

Place: Chennai
Date: 17 May 2023

Chandrasekar S
Company Secretary

R. Venkatakrisnan
Chief Financial Officer



M M Forgings Limited
'SVK Towers', A25, Industrial Estate, Guindy, Chennai 600032