

# RICO RICO AUTO INDUSTRIES LIMITED

REGD. & CORP. OFFICE : 38 KM STONE, DELHI-JAIPUR HIGHWAY, GURUGRAM - 122001, HARYANA (INDIA)  
EMAIL : rico@ricoauto.in WEBSITE : www.ricoauto.in TEL. : +91 124 2824000 FAX : +91 124 2824200  
CIN : L34300HR1983PLC023187

RAIL:SEC:2024

September 27, 2024

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001  Scrip Code - <b>520008</b>	National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai - 400 051  Scrip Code - <b>RICOAUTO</b>
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Sub : **Proceedings of 41<sup>st</sup> Annual General Meeting – 27<sup>th</sup> September, 2024**

Dear Sir/Madam,

We wish to inform you that the 41<sup>st</sup> Annual General Meeting (AGM) of the Company was held on Friday, the 27<sup>th</sup> September, 2024 at 12.00 Noon at the Registered Office of the Company at 38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana alongwith the facility to attend the meeting through Video Conferencing (VC)/Other Audio Visual Means (OAVM) and the business items (Item No.1 to 4) mentioned in the notice of the AGM were transacted at the said meeting.

The voting results of the 41<sup>st</sup> Annual General Meeting of the Company alongwith the Scrutinizer's Report will be submitted within the stipulated time.

In this regard we are pleased to enclose herewith a summary of proceedings alongwith Chairman's Speech as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The 41<sup>st</sup> Annual General Meeting of the Company was concluded at 12.45 PM.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
for **Rico Auto Industries Limited**

**B.M. Jhamb**  
**Company Secretary**  
**FCS : 2446**

Encl : As above

## **Summary of Proceedings of the 41<sup>st</sup> Annual General Meeting of Rico Auto Industries Limited held on 27<sup>th</sup> September, 2024**

The 41<sup>st</sup> Annual General Meeting (AGM) of the Members of the Company was held on Friday, the 27<sup>th</sup> day of September, 2024 at 12.00 Noon at the Registered Office of the Company at 38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana alongwith the facility to attend the meeting through Video Conferencing (VC)/Other Audio-Visual Means (OAVM). The meeting was called, convened, held and conducted in compliance with Circulars issued by Ministry of Corporate Affairs and SEBI and other applicable provisions of the Companies Act, 2013 read with rules made thereunder. The brief proceedings are as under:

Shri Arvind Kapur, Chairman, CEO & Managing Director and Member of the Audit and Nomination & Remuneration Committee Chaired the Meeting. He welcomed the Members, Directors, Auditors and Scrutinizer who joined at the AGM in person and through virtual mode.

Total Number of Shareholders as on Cut-off Date i.e. 20 <sup>th</sup> September, 2024	114384
Number of Shareholders present in person or through proxy	26
Number of Shareholders attended the meeting through VC/OAVM	55

The requisite quorum being present, the Chairman called the meeting to order and commenced the proceedings.

The following Directors were present in the Meeting:

1.	Dr. Amarjit Chopra	Independent Director & Chairman of Audit Committee
2.	Dr. Ashok Seth	Independent Director
3.	Shri Rajeev Kapoor	Independent Director & Chairman of CSR Committee and Risk Management Committee
4.	Ms. Sarita Kapur	Independent Director
5.	Shri Hemal Bharat Khandwala	Independent Director
6.	Shri Kaushalendra Verma	Executive Director
7.	Shri Rajiv Kumar Miglani	Executive Director
8.	Shri Samarth Kapur	Executive Director

Shri Kanwal Monga, Shri Satish Sekhri, Shri Vinod Kumar Nagar, Shri Yogesh Kapur and Ms. Shikha Kapur, Directors, due to their pre-occupation could not attend the meeting. The representative of Statutory Auditors and Secretarial Auditors were also present at the meeting.

With the consent of all Members present, the Notice of 41<sup>st</sup> AGM and Reports of Directors' and Auditors on the Financial Statements of the Company for the financial year 2023-24 were taken as read.

The Members were informed that pursuant to Section 108 of the Companies Act, 2013, read with Rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided remote e-voting facility to all its members to exercise their right to vote by electronic means from Tuesday, 24<sup>th</sup> September, 2024 (9.00 a.m. IST) to Thursday, 26<sup>th</sup> September, 2024 (5.00 p.m. IST). In addition, facility for e-voting was also provided during the AGM to Members who participated in the AGM through VC and did not cast their votes through remote e-voting and members who were present in person and have not cast their vote electronically were provided an opportunity to cast their votes at the end of the AGM through ballot papers.

It was further informed the members that the Board of Directors has appointed Shri Milan Malik, Partner Cornexus Services LLP, as Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Scrutinizer locked the empty Ballot Box in presence of members. The following business items as set out in the Notice of AGM, were proposed for approval of the Members:

S.No.	Resolutions	Type of Resolutions
<b>Ordinary Business</b>		
1.	Adoption of the Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2024 including the Reports of Directors' and Auditors' thereon.	Ordinary Resolution
2.	Declaration of dividend @ 60 per cent i.e. Re.0.60 (Sixty paise) per Equity Share of Re.1/- each for the financial year ended 31 <sup>st</sup> March, 2024 as recommended by the Board of Directors.	Ordinary Resolution
3.	Shri Kaushalendra Verma, who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary Resolution
<b>Special Business</b>		
4.	Ratification of Remuneration of the Cost Auditors M/s. MM & Associates, Cost Accountants for the Financial Year 2024-25.	Ordinary Resolution

The Company Secretary invited to those members who had registered themselves as speakers, to raise their queries, express views and share their suggestions on operations of the Company or any other matter placed at the AGM. The pre-registered Members spoke at the meeting and raised wide range of queries on the financial and operations of the Company. The Chairman responded all the queries raised by the members to their satisfaction and welcomed the suggestions offered by the Members.

The Company Secretary announced that the combined results of the voting will be announced within two working days from the conclusion of Meeting and the same shall be posted on the website of the Company, intimated to National Securities Depository Limited (NSDL) and notified to BSE and NSE, where the equity shares of the Company are listed.

The Chairman then thanked the Directors, Auditors and Members present and declared the meeting as closed. The meeting concluded with a vote of thanks to the Chair.

The facility for e-voting remained open for 15 minutes after conclusion of the meeting to enable the members to cast their vote.

The aforesaid proceedings do not purport to the minutes of the proceedings at the said Annual General Meeting.

Thanking you,

Yours faithfully,  
for **Rico Auto Industries Limited**

**B.M. Jhamb**  
**Company Secretary**  
**FCS: 2446**

# **RICO AUTO INDUSTRIES LIMITED**

**CIN: L34300HR1983PLC023187**

Regd. & Corp. Office: 38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana

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## **CHAIRMAN'S SPEECH**

### **“Rico continues its Focus on Electrification”**

(Statement of the Chairman at the **41<sup>st</sup> Annual General Meeting** of the Company held on Friday, the 27<sup>th</sup> day of September, 2024)

**Dear Shareholders,**

Good afternoon,

With immense pleasure, I welcome you all to the 41<sup>st</sup> Annual General Meeting of your Company. I pray for the good health of all of you and your family members.

At the outset, I thank you all for the confidence reposed and the support extended to the Company to sustain and keep improving our performance.

#### **On the global economy**

The past year was marked by significant challenges in the global economy, characterised by elevated inflation, increased interest rates, reduced investment, and disruptions resulting from Geo-Political situation. These factors collectively contributed to economic weakness.

However, since the second half of 2023, there have been signs of recovery in the global economy. Looking ahead, the sustained global GDP growth rates, along with the control of inflation, suggest a cautiously optimistic outlook for the world economy. For 2024, global GDP growth is projected to be 3.1%, with a slight increase to 3.2% anticipated in 2025, maintaining a steady pace from the 3.2% growth observed in 2023.

For India, we see a promising picture despite of global uncertain macroeconomic environment. India is the World's 5<sup>th</sup> largest economy and is set to become 3<sup>rd</sup> largest economy in coming years.

As per IMF data, Indian economy has grown 92.38% in last 10 years and for FY 2025-26, the IMF predicts a growth rate of 6.5%.

Structured reforms and domestic household demands are key drivers of India's growth. Increased capital expenditure, creating technological advanced digital infrastructure and policy reforms will help India continue its GDP growth momentum of 8.2% in 2023-2024.

The Indian Automotive Industry is and has always played a pivotal role in realizing the governments mission of **self-reliant & Make in India plan**.

The Indian Government has projected that EVs to account for 30% of auto sales by 2030, and predict annual EV sales could reach 10 million units, primarily lead by the 2 Wheelers and also driven by expanding infrastructure and increasing customer acceptance. An important positive factor for India is its large and fast-growing middle class, which is driving consumer spending.

The focus of the Country is now on **Green Growth**, which will generate employment opportunities while contributing to environmental protection.

The Carmakers in India are offering more alternative fuel options including CNG, Strong Hybrid, Electric along with traditional fuels to meet evolving consumer preferences. Hybrids are appealing to consumers seeking the best of both worlds – lower emission and improved fuel economy. Your Company is leading in Hybrid Components.

### **Operations (FY24)**

Moving on to your Company's performance in FY24, your Company recorded a consolidated revenue of Rs.2,174 Cr and earned profit after tax of Rs.38.9 Cr.

Considering the overall Company performance, the Board has recommended Dividend @60% i.e. Re.0.60 per Equity Share of Re.1/- each for the financial year 2023-24, amounting to Rs.8.12 Cr on the equity share capital of Rs.13.53 Cr.

### **Exports**

The export turnover of your Company during the year under review was Rs.426 Cr as against Rs.490 Cr in the previous year due to downtrend in global EV sales which dropped by almost 40% in Europe. The Company added new export businesses from BMW, GKN, Bendix, Knorr Bremse and Cummins. You will see a Good Growth in the year 2025 and onwards.

### **Outlook & Way Forward**

Your Company is well positioned to capitalize the market trends in Electrification, Hybrid vehicles. We anticipate good growth in the business of the Company over the next few years driven by an increase in demand of components for Hybrid, Electric and ICE vehicles for Domestic and Export market by creating Flexible and Fungible manufacturing system there by utilizing the Capacities to the fullest.

Your Company is engaged with Domestic and Global OEM's to enhance its business through aggressive participation in upcoming models at the Designing stage for Passenger Vehicles (Hybrid, Electric and ICE), Commercial Vehicles and Off Highway segment.

Your Company has been working on **Defense** for many years. We see a lot of traction taking place and orders coming in. It's been a long journey and we are now seeing the results.

## **Environmental, Social and Governance (ESG)**

India is the only country among G20 nations to be achieving its climate targets ahead of schedule, year on year, and its efforts have "re-assured and surprised" the world.

Rico continues its efforts of attaining its sustainability goals. During the year the Company conducted an ESG Due Diligence and assessed the Company's carbon footprint. In the coming years, Rico aims to continue working in strengthening its processes towards achieving carbon neutrality, product innovation, enhancing water and waste management, optimizing supply chains, prioritizing health and safety, engaging with communities, and advancing diversity and inclusion efforts.

The Company has begun integrating Environmental, Social and Governance (ESG) principles into its initiatives and has restructured many projects according to specific ESG guidelines.

The Company has undertaken CSR activities through Rico Care Foundation and under its initiative established a Medicare Centre at one of our plants in Rajasthan - Pathredi where all the patients in the villages around are provided free Medicines and Consultation at their doorstep.



## **Acknowledgements**

Before I conclude I would like to acknowledge the pivotal role played by the RICO employees. Their collaborative spirit and teamwork makes me very proud.

On behalf of your Company's Board, I want to thank all our value chain partners, Banks & Financial Institutions, Stakeholders and the Local, State and Central Governments and all our Customers for their continued support.

I also express my deepest gratitude to all our shareholders – it's your encouragement and support that drives us to deliver our best every day.

On behalf of the Rico Team, I express my heartfelt gratitude to our Independent Directors, Mr. Kanwal Monga, Dr. Amarjit Chopra, Dr. Ashok Seth, Mr. Satish Sekhri, Mr. Rajeev Kapoor and Mr. Vinod Kumar Nagar who are retiring on 29<sup>th</sup> September, 2024 on completion of their tenure as prescribed in the Companies Act and SEBI Regulations.

We thank them for their guidance, support and trust which have greatly enhanced our decision-making process towards growth of the Company.

Our heartfelt thanks to you all.

**CHAIRMAN**

(This does not purport to be a record of the proceedings of the Annual General Meeting)