

Chairman's Speech 2021

Dear Shareholders,

I have great pleasure in extending a warm welcome to all of you for the 85th Annual General Meeting of the company.

I hope you are safe during this global health crisis.

We present to you our Annual Report for the financial year 2020-2021. Every country is fighting the health hazard due to COVID-19, which is continuing from the previous year and contributed to the economic slowdown and uncertainties. Every country had to adopt containment measures, including lockdowns. These measures have affected the business.

In India, the GDP declined by 24.4% in the first quarter of Financial year 2021. Thereafter there has been some recovery posting a recovery towards growth. While the new outbreaks are posing fresh challenges on the one hand, aggressive rollout of vaccine on the other hand provide hope for recovery.

Automotive Industry

Due to the existing challenges the first half of the year saw sales bottoming out. Production was slow/halted leading to disruptions in the supply chain. Several regulatory changes have increased the cost of inputs and delayed the recovery. With the Atmanirbhar policy and production linked incentive schemes announced by the Government of India, the industry is expected to recover in the medium to long term.

Performance

The revenue from Forgings had dropped by 17% during the year to Rs.2730 lakhs compared to

Rs 3280 lakhs in the previous year. We have taken all possible measures to minimise the loss and have been able to succeed by ending the year without any cash loss from operations in spite of the profit after tax is negative.

We have settled all the Banks/ARC's during the year. The surplus land available was sold during the year and the funds were utilised to settle the statutory dues and NCLT cases.

We have made all efforts to ensure safety of our people. Our manufacturing facility has been operated in line with the State Government Regulations. With this we ensured safety of our workers and simultaneously carried out uninterrupted operations to fulfil the requirements of our customers.

Outlook

The pandemic situation continues as of date with the threat expected in the form of variations in the virus. Given the situation, the company is striving hard to achieve growth and profitability by improving the productivity, reduce costs and all possible measures.

I thank all our shareholders, employees, customers, suppliers, Statutory Auditors, Secretarial Auditors, all consultants for their support in all our activities.

I thank you all for your time for this General Meeting.