

EL FORGE LIMITED
CHAIRMAN'S SPEECH
TO THE MEMBERS OF THE COMPANY AT THE 84th ANNUAL GENERAL MEETING ON
FRIDAY THE 25th SEPTEMBER, 2020.

Ladies and Gentlemen,

I welcome all of you to your Company's 84th Annual General Meeting. I thank you all for having spared your valuable time to attend this meeting.

The Annual Report containing the Directors' Report and the Audited Accounts for the year ended 31st March, 2020 has been with you for some time and I am sure, you have had the opportunity to peruse the same.

The year beginning April 2019, was with challenges in India. Activity levels across Sectors like Automobile, Real Estate, Iron and Steel among other manufacturing sectors was slow. The GDP in India was declining. There were signs of improvement in the later part of the year and a moderate increase in activity levels were witnessed. However, the Pandemic and the resultant lock down brought all the business activity to a stand still across all sectors.

The COVID 19 outbreak continues to have major social economic repercussions globally and its implications are going to be felt in the years to come. A sustained economic revival in near term is very difficult to achieve in spite of the relief package rolled out by the Government of India. It will take a minimum one year at least to balance the activity levels and move in the direction of growth.

The scenario described above has impacted our Company's performance for the last year. The turnover declined to Rs.33 Crores compared to Rs.50 Crores in the previous year. The Management has taken all steps to cut down the losses in operating at lower capacity levels. The Pandemic had forced for a complete shutdown in the later part of March and full of April 2020. As result the first quarter was a washout. The turnover for the quarter was Rs.146 lakhs only compared to Rs.1242 lakhs in the same quarter last year. This year 2020-21 is full of uncertainties and hence we will strive to do our best in the given circumstances and ensure the losses are curtailed, while the operations are continued at the lower level of capacity utilization levels.

In the COVID-19 situation, we have taken every step to ensure safety of employees and the community, we have applied all the recommended safety and precautions measures announced by the Government.

We hope to meet next year with better outlook for the company.

Acknowledgement

I thank our valued customers, shareholders, suppliers, Government agencies and all our executives and staff in our company to have worked as one team, even in the midst of trying times.