

**MANAGEMENT DISCUSSION AND ANALYSIS****Industry Structure and Development :**

The equipment and solutions offered by your Company are capital equipment used for unitized material handling. They are used across varied industrial verticals like automotive and auto-ancillary, energy & power sector, metal and metal processing sector, infrastructure sector, food processing sector, logistics, textile industry and petro-chemical refineries amongst others. The usage is across the industry spectrum: private or public sector, large to micro and even contractors.

Your Company's product range covers Mechanical Hoists (Chain Pulley Blocks, Ratchet Lever Hoists, Pulling & Lifting Machines), Electric Chain Hoists, Wire Rope Hoists, Cranes (HOT, EOT, Light Profile, JIB Crane, Crane kits), Storage and Retrieval Solutions (including Floor Operated Stackers and Roll Out Racks), Manipulators / Special Solutions (Ergonomic Handling Solutions), Manipulators, Trolleys and Conductors.

Your Company now has two facilities: one at Khalapur and the other at Hinjewadi, Pune. The Company's quality systems are certified to ISO: 9001-2008 standards by TUV Nord. Furthermore, the Chain Pulley Blocks are also certified to ISI and CE standards. The operations of the Company are supported by a bank of suppliers / vendors for various components and your Company is making continuous efforts to improve the quality and capabilities of its supply chain partners.

Your Company's products are brought to customers by a strong nationwide network of channel partners and regional sales offices. The Company has also set up its Regional Offices in Pune, Delhi, Kolkata and Chennai to extend market support to the channel partners and develop business for cranes and solutions business.

Your Company has installed 4 wind turbines of 1.25 MW generation capacity each in Dhule District, Maharashtra between 2005 and 2006.

Opportunities and Threats:

Your Company places a very high emphasis on product and technology development and engineering. During the year, your Company continued to develop and upgrade the technology in it's in-house developed line of Cranes, Electric Chain Hoists series and Wire Rope Hoists. The focus on design and development has enabled the Company to strongly and effectively meet the competition emanating from various local and international players in the market. Furthermore, the focus on application support has paid off with the Company being able to place its high-end products and solutions in hitherto untapped sectors.

Financial Review / Segment wise Performance:

The revenue from operations of Rs. 7,707.73 Lakhs is 5.18% lower than last year's revenue from operations of Rs. 8,128.75 Lakhs. The net profit of Rs. 978.40 Lakhs is 22.97% more, as compared to last year's net profit of Rs. 795.61 lakhs

Segment Performance:

(Rs. in lakhs)

Name of the segment	Segment Revenue for the year 2017-18	Segment Revenue for the year 2016-17
Materials Handling Equipment's	7,421.64	7,810.44
Windmill Segment	286.09	318.30

Internal Control Systems and their adequacy:

The Company has adequate internal control systems commensurate with its size and nature of business. The Company has engaged the services of a reputed Internal Audit firm. The report of the Internal Auditor is reviewed regularly by the Audit Committee of the Board of Directors and corrective actions are taken by the Management.

Risks and Concerns:

Every business has inherent element of uncertainties owing to uncertain factors and managing risk is very critical for success of the enterprise. The Company has a Risk Assessment and Management Policy, wherein the Company has identified key risks, such as, Market Information (increasing market share), Competition Risk (strengthening marketing set-up), New Products Development (strengthening R & D activities), Employee Risk (reducing attrition rates and retaining employees) and Credit Risk (recovery of outstanding dues) etc. Risk minimization / mitigation steps are regularly undertaken and reports are placed before the Audit Committee Meetings and Board Meetings.

Business Out-look:

The Company's business is directly linked to investments in new projects, expansion of existing capacities and positive sentiments in industrial production activities. While no significant projects or new investments have been announced in the customer sectors, the market feedback seems to reflect an air of cautious optimism and we look forward to the industrial pace picking up in the coming months.

Development in Human Resources / Industrial Relations front:

Your Company recognizes the employees as critical asset of the organization and lays due emphasis on all round development of its human resources. A number of programmes and initiatives were carried out during the year. Industrial relations during the year has been cordial and contributed to mutual development.

Cautionary Statement:

Statements in the Management Discussion and Analysis, describing the Company's growth prospects, are forward-looking statements. The actual results may vary, depending upon economic conditions, raw-material prices, government policies, regulations, tax laws and other incidental factors.

On behalf of the Board of Directors

Dated : May 22, 2018
Place : Mumbai

Shekhar Bajaj
Chairman
(DIN No. 00089358)