

Management Discussion & Analysis:

Financial Performance:

The company's Sales Turnover has decreased by Rs.1,790 Lakhs from Rs.16,053 Lakhs to Rs.14,263 Lakhs registering a decrease of 11.15%. The Profit after depreciation has decreased by Rs.401 Lakhs from Rs.1,636 Lakhs to Rs.1,235 Lakhs. The total current tax provision (including deferred tax liability) has decreased from Rs.426 Lakhs to Rs.257 Lakhs. The tax provision has come down due to capex in the form of machinery additions. The Profit after tax has decreased from Rs.1,210 Lakhs to Rs.978 Lakhs as set out in the Directors' Report.

Key Financial Ratios:

Ratios	2019-20	2020-21	% Change
Debtors Turnover	47 days	44 days	-6.38 %
Inventory Turnover	98 days	102 days	4.08%
Interest Coverage Ratio	15.91	15.58	-2.07%
Current Ratio	7.25	10.16	40.14%
Debt Equity Ratio	0.17	0.14	-17.65%
Operating Margin	10.20	8.66	-15.10%
Net Profit Margin	7.54	6.86	-9.02%
Return on Net Worth	3.01	2.43	-19.27%

Industry Structure and Developments:

Industry structure and developments has been elaborately stated in the Director's Report.

Internal Control Systems and their Adequacy:

Internal Control Systems has been elaborately stated in the Director's Report.

Human Resources:

The Company has a recruitment and training policy to meet its HR needs. The Company's performance on the Industrial Relations front continues to be quite satisfactory.

Cautionary Statement:

Certain statements in the "Management Discussion and Analysis Report" may be forward looking and are as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook – the ever present risk factors.