

CHAIRMAN'S COMMUNIQUE

Becoming a one-stop, local solution. Globally.



As the pandemic-induced lockdown resulted in interrupted or stalled business activities, mass-panic and muted consumer sentiment became prevalent in the first half of the year. However, backed by the government's proactive measures, the situation started improving towards the second half of the year, and the economy began to regain normalcy. This strength of spirit gives us hope around the consumers' ability to adapt to changing market dynamics.

The prolonged lull in the automotive industry, notwithstanding, there are several aspects that keep us optimistic about the future. We are currently living in what can be called India 2.0, which has evolved drastically over the last few years, and is well on its way towards a digital revolution. The Government's focus on empowering domestic manufacturers through the 'Atmanirbhar Bharat' movement also augurs well for us.

The impending EV boom in the country strengthens our confidence, with the government and private players ensuring the incorporation of EVs across the country. Favourable government initiatives like FAME II subsidies of up to INR 3 lakh for EVs in commercial use, reduction of GST rate to 5%, waiver of road tax and registration in several states, and income tax benefits of up to INR 1.5 lakh for individuals, are projected to drive the demand for EVs over the foreseeable future.

Sectoral challenges notwithstanding, macroeconomic factors like the increasing population, spend on infrastructure, growing middle-class and improving lifestyle choices will be a constant driver of growth over the long term.

We are industry leaders in the manufacturing of auto components for two-wheelers, three-wheelers and four-wheelers.

Our manufacturing facilities span the globe and our in-house technological capabilities ensure that we are always ahead of the curve.

Besides these, our growing presence will help us capitalise on the untapped market potential of Indian as well as European, Chinese and American EV markets.

We are essentially a technology- and research-driven enterprise always looking to improve our in-house capabilities. We implemented digitalisation to the extent possible to ensure that we are able to reach to the optimum levels of manufacturing efficiency across our manufacturing units.

Since the time we began our journey, we have always reiterated that our employees are our biggest asset. Aimed at keeping a closer watch on their well-being, we launched the Sona Health App. Vaccination drives for our employees and their family members were also arranged by our team.

I would like to end on a note of gratitude for all our stakeholders for the indomitable spirit demonstrated by them during these unprecedented times. This is the beginning of a new journey, with a successful IPO that assures us of the confidence reposed in our business and inherent strengths that will solidify our presence as leaders in the global industry.

Regards,

Sunjay Kapur
Chairman and Non Executive Director