

Ladies and Gentlemen

Good Morning to you all and it is my pleasure to welcome you to the thirty third Annual General Meeting and the first such meeting to be held on virtual mode. I hope you and your family are keeping safe during these difficult times.

The Annual reports have been with you for a while and with your permission I take them as read.

The financial year 2019-20 ended on a good note with a growth of 24% in Profit after tax over the previous year on a growth in Income of just over 3%. This was achieved in a year with difficult conditions in the broader economy and an abrupt halt in the latter half of March due to onset of Covid-19.

In largely stagnant conditions with negative trends in some key customer segments, your Company consolidated its position and achieved a small growth over the previous year. Better product mix and management of costs helped achieve improvements in margins. Working capital at the end of the year was severely affected by Covid 19 with business coming to a grinding halt following the announcements of the first of a series of lockdowns.

The Company's activities on global business services in multiple functional areas including R&D support for Colfax entities continued to grow during the year.

The Company evaluated its current and future funding requirements from time to time and based on this declared an interim dividend of 700% which was disbursed in June 2020. Cash flows and overall cash position continues to be in reasonably good shape despite the challenges over the last four months.

Your Company has been responding to the Covid driven challenges through a rigorous drive on the health and safety aspects at all its operating locations. We have been adhering to safety advisories of the Government in addition to our own initiatives based on global guidelines for the safety of our employees and others operating in our premises.

The current financial year has begun on a challenging note with the impact of Covid 19 felt across all segments. Your Company announced its first quarter results on the 6th of August. We witnessed a decline in sales and profits during the quarter with some expectations of a slow recovery in the coming quarters. We are still unclear about the extent and timing of any revival since there are multiple local and global factors to consider even after the return of some level of normalcy .

Significant changes in work pattern across Industries, volatilities in commodity prices, project execution delays at customer end, exchange rate fluctuations and an increasingly challenging working capital cycle are risks that need to be addressed or managed during the rest of the financial year.

The present situation opens up new opportunities in the form of new ways of working, enhancing use of digital technology, to innovate and to be able to quickly adapt to change. In a market scenario we operate in, management of costs and working capital would be key to sustenance and growth.

The Company intends to continue working closely with its parent company and its affiliates to achieve global standards on key functional areas of operations.

We believe that we are well positioned to handle the current and emerging challenges and to look for emerging opportunities to shore up growth and efficiencies.

I would like to place on record our appreciation to the operating of your Company for all their efforts in navigating through a challenging phase.

I would like to thank the Company's customers who have continued to show immense faith in us. We would like to thank all our suppliers, bankers and other stakeholders for their engagement with the Company and for all their support.

We would like to thank our Shareholders for continuing to support the Company in all its endeavors. On behalf of your Company and the Board, I extend our best wishes to you and your family. Please stay safe and stay healthy.

Thank you.

Chairman

P.S. This does not purport to be a record of the proceedings of the Annual General Meeting.