

Ladies and Gentlemen

Good Morning to you all and it is my pleasure to welcome you to the thirty second Annual General Meeting and my first as Chairman of our Company.

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

The financial year 2018-19 ended on a satisfactory note with a growth of 60% in Profit before tax over the previous year on a growth in Income of about 24%. Your company displayed a high degree of resilience in an extremely difficult operating environment with weak demand and volatility in input costs.

The Company further consolidated its position in the market place with reasonably good progress on its flow business as well as capital goods segment. Continuing focus on costs and manufacturing capacity optimization helped the Company stay competitive. New products continued to show growth and the Company also benefited from changes in indirect tax laws which were supportive of compliant business entities.

The Company reviewed its current and future funding requirements from time to time and based on this declared a dividend of 900% in November 2018. Cash flows and overall cash position continues to be strong.

The Company's activities on shared services and R&D support for Colfax entities continued to grow though on a small base bringing in employment opportunities and foreign exchange earnings for the Company.

The manufacturing business environment has deteriorated over the last quarter with a significant decline in industrial output in key segments. Liquidity crisis driven by issues in financing sectors in the economy together with the dependence on the monsoons are real and critical business risks for the ensuing quarters.

There are significant uncertainties that have a bearing on the performance of the ongoing financial year. We are still unclear about the level and timing of any revival in the investment cycle which would have a bearing on our capital goods segment and also an indirect impact on our flow business.

Further, volatilities in commodity prices, project execution delays at customer end, exchange rate fluctuations and an increasingly complex tax and compliance environment are risks that need to be addressed or managed during the rest of the financial year.

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

We believe that we are well positioned with a strong balance sheet to handle short and medium term challenges.

Our success has been the built on the untiring pursuits of your Company's operating team and we would like to thank them for all their efforts during the year gone by.

We would like to place on record our sincere thanks to Mr.Daniel Pryor who served as Chairman of the Company till May 2019.

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.

Thank you.

Chairman

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