

Ladies and Gentlemen

Good Morning to you all and it is my pleasure to welcome you to the thirty first Annual General Meeting 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 2017-18 ended on a satisfactory note taking into account the business environment and volatilities. We ended the financial year on a satisfactory note given the context of stagnancy in relevant manufacturing segments and volatilities driven by some significant changes in the business environment that we operated in. Key policy initiatives including GST were introduced during the financial year. It is our expectation that GST would help the organized segment and ensure greater transparency in businesses overall.

Given this backdrop, we are pleased to inform members that the Company grew about 6% in terms of sales and about 16% growth in Profits before exceptional items and tax. The Company made good progress in terms of product launches and expansion of reach through channel partners. We expect to have gained market shares in value terms as our growth has come in a market which saw decline in broad indicators on industrial production.

Commodity prices especially Steel were at high levels through the period. Our ability to pass on all input cost increases were limited by market conditions. However, the Company's continuing focus on costs and productivity helped counter some of the input cost increases. Your Company continued to right size its operations with product transfers on capacities and headcount rationalization across locations.

Your Company progressed further from a small base on shared services and R&D operations which also brought in valuable foreign exchange. We continue to see opportunities to scale up and generate employment opportunities.

We are cautiously optimistic on the outlook for the current financial year. There is published data on growth in the first quarter in the economy though this needs to be seen in the context of base effect. A significantly weaker rupee, soaring fuel costs and currently unclear effects of tariff barriers globally are risks that are to be dealt with. We see a moderate revival in the investment cycle and it has to be seen if it is sustainable or due to the effect of short term capacity lag.

With Inflation numbers trending upwards with liquidity tightening interest rates have already shown an upward bias in the past few months. With the recent RBI policy it is widely predicted further increases are likely in respect of interest rates. This is likely to add as a potential risk & stress in the business environment. Your company is addressing these risks with a robust working capital management in place.

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 tireless pursuits of your Company's operating team and we would like to thank them for all their efforts during the year gone by.

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.