

BPL LIMITED

CHAIRMAN'S SPEECH

Good morning Ladies and Gentlemen, Welcome to the 50th Annual General Meeting of your Company. I am delighted to have your presence and participation. Thank you for coming.

The Reports and the Audited Accounts of your Company for the year ended 31st March, 2014 are already with you and I trust that you have already read it.

Despite a challenging economic environment, the company's cost control measures and efficient cash flow management helped sustain the operations and maintain our operating margins. We registered a total income of Rs. 59.69 Crores in the last year. The reduction in total income was mainly due to transfer of healthcare business to BPL Medical Technologies Private Limited, where Goldman Sach is partnering BPL.

HEALTHCARE BUSINESSES

BPL Medical Technologies Private Limited (BPL Medical) has completed one year of operation successfully and are on track to achieve their annual operation plan targets. BPL Medical has identified the gaps in product offerings and these gaps are being addressed efficiently with the introduction of the new and sleek range

of patient monitors with advanced Masimo Technology that will help position the company on superior quality standards. This will make our product range comprehensive in order to compete with full conviction for all customer requirements.

BPL Medical has recently introduced a complete range of whole body colour Dopplers, partnering with ALPINION from South Korea. This will further strengthen our product portfolio to compete effectively in the market. These FDA approved products are best –in-class and are Red Dot award winners for their unique design. With this and many more initiatives, we are ready with products offerings for all the customer segments such as stand alone practitioners, private, public and corporate hospitals. As part of our commitment towards customer education, we have launched ECG Academy, an online ECG education program, which will open our access to competition base and will lead to better engagement.

Our mission remains to manufacture and market affordable quality medical products to the Indian and overseas market. A range of innovative products and solutions will also be developed during the year 2015 & 2016.

Printed Circuits Board (PCB) Business

The Printed Circuit Board Division continues to perform reasonably well with good profit margins. The Division is expected to marginally improve its performance during the current year.

INDIAN ECONOMY

The Indian macro-economic environment has looked turbulent during the past year. After a promising start at the beginning of the year, 2013-14 ended with the lowest GDP growth rate of 4.5 percent, while the fiscal deficit rose from 5.9 to 6.5 percent of GDP. The year however started on a note of optimism through impressive growth in exports and high levels of foreign exchange inflows, only to moderate as the year progressed through continued monetary tightening in response to the untamed inflationary pressures. The economic growth was at a three-year low of 4.9 per cent in 2013-14, mainly due to sharp slowdown in manufacturing, agriculture and mining sectors. Gradually, high levels of inflation gave way to a slow-down in the growth. Fluctuation in exchange rates also caused heavy depreciation of rupee against US dollar also had an impact on the Indian economy.

FUTURE OUTLOOK

The Government's recent thrust on manufacturing is timely and much needed. Every manufacturing job creates three to four jobs in the wider economy. Countries like China, South Korea and Indonesia had a share of manufacturing in the economy at upwards of 25%, whereas in India that share has stagnated below 15% for the past few years.

The opportunity for India is staggering. Besides serving a large domestic demand, exports of made in India goods is an attractive proposition. According to recently published BCG Global Manufacturing cost-competitive index, India is the second lowest cost manufacturing destination even lower than China, among top 25 exporting nations.

The Central Government's ambitious business movement of “ **Make in India**” is very encouraging for India's business and evoking a positive response. The Govt's focus on improving the workmen's skill to improve productivity, invest in innovation and R & D and make micro, small & medium enterprises (MSMEs) as the backbone of the country's manufacturing sector will contribute to higher GDP growth, employment and also make our country globally strong.

BPL Limited is now a debt-free company and in the process of taking steps in its journey to unlock its full potential.

BPL aims to consolidate some of its business segments in the next few years and we have set ambitious growth targets to be achieved by new product introductions in the new markets.

ACKNOWLEDGEMENTS

Before I conclude my speech, I would like to place on record my sincere thanks to my colleagues on the Board; for their professionalism, advise and support during the challenging times that our Company has been going through.

On behalf of the Board of Directors, I also take this opportunity to thank all the employees for their dedicated efforts, which has helped your Company pursue its plans.

Ladies and Gentlemen, we are extremely grateful to you for the trust you have reposed in us. I thank all the Shareholders of the Company and look forward to your continued support.

Thank you all, for your kind attention.

Ajit G Nambiar
Chairman & Managing Director

Palakkad
29th September 2014

Text of the speech delivered by Mr. Ajit G Nambiar, Chairman & Managing Director, BPL Limited at the 50th Annual General Meeting on Monday, the 29th September 2014.

Note: This does not purport to be the proceedings of the Annual General Meeting.