

Dear Shareholders,

Good afternoon Ladies and Gentlemen!

On behalf of the Board of Directors of the Company, I have great pleasure in welcoming you all to this 33rd Annual General Meeting of your Company.

The Annual Report, including the Audited Statements of Accounts, for the financial year 2015-16 has been shared with you and with your consent, I take them as read. However, I would like to take this opportunity to present before you a brief outline of the Indian economy and business initiatives taken by your company during the year under review.

ECONOMIC SCENARIO

The economy in India is the seventh largest economy in the world measures by nominal GDP and the third largest by purchasing power parity (PPP). The country is classified as a newly industrialized country, one of the G-20 major economies, a member of BRICS.

Indian economy has the potential to become the world's 3rd largest economy by the next decade and one of the largest economies by mid-century. And the outlook for short-term growth is also good as according to the IMF, the Indian economy is the "bright spot" in the global landscape. India also topped World Bank's growth outlook for 2015-16 for the first time with the economy having grown 7.6% in 2015-16 and expected to grow 8% in 2016-17. Emerging market economy registered slowdown, impacting company's export growth adversely.

MARKET SCENARIO FOR COMPANY

✓ PIPE Division

Following positive factors will boost the demand in big manner -

- Good monsoon
- Gujarat - SSNL - PVC Pipeline (5000 Kms in first phase)
- Telangana - Mission Bhagiratha / Mission Kakatiya - laying of 1,25,000 Kms of Pipe, predominantly HDPE
- Laying of network for 4G
- Government's various measure to increase irrigation

✓ FILM Division

- Food Processing Industry booming - Lamination
- Agriculture Film (Mulch & Shed Nets)

✓ Prospects of exports compared to last year have become more promising particularly due to lifting of economic sanction on Iran

BUSINESS INITIATIVES AND RECOGNITION

TECHNOLOGY INNOVATION

- ✓ Your company continued to review and re-invent existing products to ensure that the evolving needs of the customers are met in the best possible manner;
- ✓ The company takes care of technical, commercial and production requirements of the Plastic Processors;
- ✓ Extrusion solutions offered by the company empower them to obtain maximum yield with better energy saving and lesser space requirements;
- ✓ During the year under review, the company has surpassed 11,111 installation mark with global footprint in more than 85 countries.

RECOGNITION

The Company was selected as Winner for 6th National Award for Technology Innovation in the category of Innovation of Polymer Processing Machinery & Equipments for the Innovation in “High Speed Telecom Micro-Duct Extrusion Line”

This award along with a Cheque for Rs. 2,00,000/- was presented by Hon’ble Minister of Chemicals & Fertilizers, Shri Ananth Kumar, Government of India in the presence of Shri Hansraj Gangaram Ahir, Hon’ble Minister of State for Chemicals & Fertilizers, Government of India during a function organised at New Delhi on Wednesday, the 20th January, 2016.

Many of our shareholders may recall that in the previous year (2014-15) the Government of India has given us a similar prestigious award under the industry category of “innovation of polymer processing machinery and equipment” for its flagship product - High Speed Inline Flat Drip Tube Extrusion Line in recognition of company’s technology innovation for irrigation sector. This award along with a Cheque for Rs. 1,00,000/- was presented by Hon’ble Minister of Chemicals & Fertilizers, Shri Ananth Kumar, Government of India.

MARKET DEVELOPMENT

The Company during the financial year under review had participated at various international exhibitions held at Brazil, China, Kenya, Vietnam, Thailand, Indonesia, Eurasia, Turkey, Saudi Arabia, South Africa to expand its global reach.

NEW PRODUCT

The Company has entered into Joint Venture with M/s. Penta SRL Italy, to manufacture and market raw material handling and auto-feeding solutions to Plastic Processors across the globe. Joint Venture Company M/s. Penta Auto Feeding India

Ltd., has been incorporated and its manufacturing unit is being set-up at MIDC Rabale, Navi Mumbai. Statutory Registrations have been obtained. It is expected to commence its commercial operations upon installation of production equipments and recruitment of manpower.

EXPANSION

The Company has purchased land and factory premises at Dunetha, Daman which was held on lease. Additional factory building is near completion. This would enable the Company to expand manufacturing facilities for manufacture of Blown Film Plants for which the demand is increasing with growth of Packaging Industry. About 25,000 sq. ft. out of 30,000 sq. ft. area will be allotted / earmarked to separate our R&D facilities only. As you know, we are recognized by DSIR and are eligible to various deductions as provided under the scheme.

FINANCIAL PERFORMANCE AND DIVIDEND FOR FINANCIAL YEAR 2015-16 AS COMPARED TO FINANCIAL YEAR 2014-15

Your company delivered better performance during financial year 2015-16 despite persisting market challenges.

Financial Performance

- Domestic Sales registered growth of 21% over previous year while export has fallen by 9%;
- Sales revenue reached to Rs. 299.08 Crores as against Rs. 271.28 Crores last year registering a growth of about 10.25%;
- Operational Profit before tax stood at Rs. 50.04 Crores as against Rs. 27.05 Crores showing a growth of 85%.
- The Company registered a net profit after tax of Rs. 22.47 Crores as against Rs. 22.40 Crores in previous year.

- Earning per shares stood at Rs. 7.04 for the year ended 31st March, 2016.

DIVIDEND

Your Board of Directors have declared interim dividend at Rs. 2.25 per share higher than previous year.

Approval of the Members is sought to confirm interim dividend paid as a final dividend in respect of financial year ending 31st March, 2016.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I express our sincere thanks to all the regulatory bodies, for their timely support and we take this opportunity to thank all the customers, shareholders and other Stakeholders for their support and look forward for their continued association in the year ahead.

With Best Wishes,

Sincerely,

S. V. Kabra

Chairman & Managing Director

21st July, 2016

This does not purport to be a record of proceeding of the 33rd Annual General Meeting of the Company.