

BPL LIMITED

CHAIRMAN'S SPEECH

Good morning Ladies and Gentlemen and welcome to the 46th Annual General Meeting of your Company. We are delighted to have you participate in the 46th AGM. Thank you for coming.

The Reports and the Audited Accounts of your Company for the year ended 31st March, 2010 are already with you and with your permission, I shall take them as read.

THE YEAR IN RETROSPECT

I would like to briefly touch upon the country's industrial scenario during the year 2009-10. The slowdown in the industrial sector which began in 2007-08 got compounded by the global commodity price shock. The impact of the global slowdown during the course of calendar year 2008 was arrested at the beginning of 2009-10. The Indian Economy bounced back impressively during the last financial year. Strong domestic consumption combined with measures initiated by the Government stimulated the Indian Economy to grow, in spite of weak exports and global uncertainties. Aided by a spectacular performance by industry and services, the Indian economy registered an overall GDP growth of 7.4 per cent in 2009-10, compared to 6.7% for the fiscal year ended 31st March, 2009.

I am now going to touch upon your Company's performance. During the period under review, your Company registered a net sales and other income of Rs.118.50 Crores. Despite adverse market conditions and lack of working capital, your Company could slightly better its performance due to several cost cutting measures that had been initiated.

BUSINESS OPERATIONS

The Health Management Solutions (HMS) Group of your Company focused on ensuring effectiveness in Sales & Service Delivery, strengthening national reach, strengthening brand credibility and addressing opportunities in Public Health system, expanding product portfolio.

Your Company introduced new models of Multi Channel ECG Machines during the second quarter of the financial year and the move has resulted in improved turnover from these models. Further new variants of Foetal Doppler and Foetal Monitor were launched which has resulted in substantial growth in terms of value in the Gynaec segment.

Your Company's R & D Department developed blue tooth based Stress Test systems (tread mills) and Colour Multi Para Monitors for Patient Monitoring (model Magna) during the year. These were launched very recently and has been well accepted in the market.

Your Company obtained CE Marking for the Multi Para Monitors and Oxygen Concentrators. The CE marking certify that the products meet European Union's consumer safety, health or environmental requirements.

CE means : conformité européenne (French words meaning "European conformity")

Your Company launched its healthcare products in Nepal during July 2010. It also made entry in to business with major Corporate Hospitals. Further, it was able to consolidate its presence in ECG segment by supplying 3000 units to a single institutional buyer in record time.

Printed Circuits Board (PCB) Business

Consumer Electronics, basic telecom equipments, low end power conversion and lighting industry forms the sources of business for PCB business. There was no growth in the PCB Industry during the year 2009-10. However, net revenues of PCB business of your company recorded 25% growth and two million PCBs were supplied for TVs across India.

However, CFL Lighting Industry, being an emerging energy consumption efficiency option has good potential with an estimated demand of 25 million PCB units per month.

Your Company is therefore, actively pursuing options to fully exploit the plant capacity utilization and thereby improve the profitability of this business.

CURRENT OUTLOOK AND THE FUTURE

During the first five months of the current financial year, your Company has registered encouraging results. The turnover in Healthcare business has recorded an increase of **38%** as against that of the previous year.

In order to sustain the growth, the Company will be launching shortly a wide range of high end Biphasic Defibrillators. Secondly, your Company has plans to introduce BPL's own A4 ECG machine which is under development.

Your Company continues with the process of engaging with several global majors for technology absorption and other strategic partnerships. It has entered into agreements in this regard with a number of global technology companies as a result of which your Company has been able to develop a range of diagnostic medical equipments.

As a result of the Company's R & D activities, it has been able to retain its leadership in key product segments, achieve cost reduction and retain customer acceptance despite adverse working capital constraints.

FUTURE OUTLOOK

BPL Group plans to focus our play in three key areas, viz. Healthcare Management Solutions, Energy Management Solutions and Secure & Intelligent Solutions for the Indian Home. Our efforts towards conclusion of our financial re-structuring activities, continued during the year, which once achieved will enable the Company to embark on a new platform, from which plans can be made for breakthrough achievement both in performance and profitability and to attain sustained long term growth.

Your Company is geared up to utilise these opportunities with its excellent Brand name, state of the art manufacturing facility, marketing network, enviable service infrastructure.

With this I look ahead with optimism about the growth of your Company in the coming years.

In my previous year address to you, I had mentioned that your Company has made substantial investment for entering Power generation business, through its subsidiary Company Bharat Energy Ventures Limited. In this regard, I would like to share with you that significant development that has taken place towards achieving this goal. The 600 Mega Watt coal based thermal power project will come up at Ramagundam, Andhra Pradesh and the Government of Andhra Pradesh has granted approval for entering into a Power Purchase Agreement. The Project Company has possession of the necessary land,

secured clearances from Ministry of Environment, Airport Authority of India and Coal supply required for this power project.

I am confident that these measures coupled with on going debt restructuring process will contribute to improved volume of operations and consequently result in maximising the value for the shareholders, in the years to come.

ACKNOWLEDGEMENTS

Before I conclude my speech, I would like to place on record my sincere thanks to my colleagues on the Board for their concerted advice, guidance and support. On behalf of the Board, I would like to thank the Bankers and Financial Institutions for their assistance, support and co-operation.

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

Last and the most important, 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 for a better future.

Thank you all, for your kind attention.

Palakkad
24th September 2010


Ajit G Nambiar
Chairman & Managing Director

Text of the speech delivered by Mr. Ajit G Nambiar, Chairman & Managing Director, BPL Limited at the 46th Annual General Meeting on Friday, the 24th September 2010.

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