

Chairman's Speech

33rd

Annual General Meeting

On 29th September, 2018

CALCOM VISION LIMITED

Dear shareholders,

It gives me great pleasure in welcoming you all to the 33rd Annual General Meeting of your Company, on the behalf of the Board of Directors.

It is a great honor and privilege for me to address all of you and to share with you an update on

- a) Overall performance of your Company in the financial year ending 31st March, 2018,**
- b) Business Strategy and**
- c) Future Outlook**

COMPANY'S PERFORMANCE DURING THE YEAR (FY 2018)

In the financial year 2017-18, your Company sold 17.85 Lacs Lighting products as against 7.17 Lacs products for the previous year, resulting into increase of total sales of your Company to Rs. 2564 Lacs as compared to previous year total sales of Rs. 1502 Lacs. The net profit for the year was Rs. 267 Lacs as compared to net profit Rs. 72 Lacs during previous year.

TURNAROUND

Your Company, after going through a tough phase, has started on a major turnaround journey.

Earlier in the year, we carried out an Annual Review Workshop Program with Extended Management Team with the objective to a) review past year's performance, b) perform SWOT analysis and c) finalize the Key Focus Areas for future.

We assessed the overall LED industry challenges, which has seen unprecedented competition resulting in lowering of prices every month, compounded with the weakening of the rupee.

This workshop led us to formulate a clear and focused Mid-Term Business Strategy and development of business plan in accordance with the overall strategy. The management decided to focus on:

- **Electronics Manufacturing Services (EMS):**

Your company as an EMS Provider / Contract Manufacturer, undertakes to manufacture, test, assemble, distribute and return & repair services for any electronic product and its components, in the lighting, home appliances and electronics industry.

- **End to End Solutions - Original Design and Manufacturing (ODM) :**

Your company to carry out an End to End Manufacturing (right from concept, product design and development through the various production stages until its completion) for three broad product segments namely a) **LED Battens**, b) **Drivers & Ballasts** and c) **High Wattage Bulbs**.

CURRENT YEAR – 2018-19 (FY19)

Based on the aforementioned strategy, your Company has been registering strong results. In the first quarter ended June, 2018, the Company has recorded a sales turnover of approx. Rs. 1256 Lacs, which is more than double the sales of previous quarter (Q4 FY2018); and increased by 72% over last year corresponding quarter (Q1 FY2018).

Additionally, I would like share some of the Key decisions and measures that we took in the current year as under:

1. We implemented SAP B1 ERP System, that has enabled seamless integration and streamlining of business functions and processes across Sales, Marketing, Procurement, Manufacturing, Inventory Management, Finance and Management Reporting on One Unified Platform.
2. We carried out Organizational Restructuring, whereby we instituted independent Functional Heads for individual functions, and established clear accountabilities and performance matrix.
 - a. The core management team has been strengthened with the hiring of well qualified and industry experienced professionals' as "Functional Heads" in all core functions.
3. We developed and implemented a revamped Factory Stores Layout Project, that enabled extended and organized warehousing space.

This growth trajectory is expected to continue in future. The current quarter i.e. Quarter ending 30th September (Q2 FY19) is progressing very well and we expect to register strong results in this quarter as well.

We are expecting to exceed last year's full turnover in first two quarters of this Financial Year.

THANKS AND CONCLUSION

None of these achievements would have been possible without the passion and commitment of our employees - our biggest asset.

I would like to take this opportunity to thank each and every employee, senior Management and Board members for their contribution and dedication towards the Company.

Looking forward, I am pleased to report that your Company is emerging and working hard to create a brighter future. I have tremendous faith in Calcom's team of dedicated professionals, and I know that they will leave no stone unturned in their continuing quest to take the Company to new heights.

I and my fellow directors are very confident about the year ahead and the broader outlook and brighter future for Calcom.

As always, on behalf of the Board, I thank you, our shareholders, for your continued support, trust and faith in our endeavours.

Thank you very much.