ESAB INDIA LIMITED

39TH ANNUAL GENERAL MEETING

Good Afternoon,

Ladies and Gentlemen,

I am G Balaji, Company Secretary of ESAB India Limited and it is my pleasure to welcome you all to this 39th Annual General Meeting (AGM) of ESAB India Limited. This AGM is held on virtual mode. It is my pleasure to introduce our Board of Directors and other dignitaries who have joined this virtual Annual General Meeting.

I welcome Mr. Curtis Evan Jewell, Chairman of this Annual General Meeting and other dignitaries.

With the permission of the Chairman, G Balaji, Company Secretary introduced the Directors to the shareholders including their membership details in the various committees and their place of attending the virtual Annual General Meeting.

G Balaji, Company Secretary also introduced the Statutory Auditors and Secretarial Auditors to the shareholders of the company. He further informed that the Auditors have given their report and there were no qualifications in their reports.

With the permission of the Chairman, G Balaji, Company Secretary has informed the following to the shareholders during the virtual Annual General Meeting:

Members constituting the quorum are present. The remote e-voting process was opened from 9.00 a.m. on 26th July 2026 and closed at 5.00 pm. on 29th July, 2026. The e-voting process is also now open when this Annual General Meeting is on. Members who have not cast their vote already may do so right now before the closure of Annual General Meeting. The meeting is held on electronic mode and hence no proxies are taken cognizance in line with the MCA circular and SEBI guidelines.

With the permission of the Chairman, G Balaji, Company Secretary requested Mr. Ramesh Rajan, Independent Director to formally introduce our new Chairman Mr. Curtis Evan Jewell to the shareholders.

Mr. Ramesh Rajan, Independent Director formally introduced Mr. Curtis Evan Jewell, who has assumed office as Board Member and Chairman effective 1st May 2026 to the shareholders. He further informed that Mr. Curtis Evan Jewell, is the Senior Vice President and General Counsel of your ultimate holding company, ESAB Corporation, Delaware, USA. He has vast multinational experience and expertise in legal and board governance matters. On behalf of shareholders, he welcomed our new Chairman Mr. Curtis Evan Jewell.

On behalf of ESAB India Board, Mr. Ramesh Rajan, Independent Director also took this opportunity to express his sincere thanks and appreciation to our immediate past Chairman Mr. Kevin Johnson, who served on the Company's Board since March 2021 until 30th April 2026. He further stated that his guidance and inputs were valuable and greatly appreciated.

Mr. Ramesh Rajan, Independent Director has requested Mr. Curtis Evan Jewell, Chairman to address the shareholders and to conduct the further proceedings of this meeting.

Curtis Evan Jewell, Chairman

Thank you Mr. Ramesh Rajan.

Good Afternoon, I welcome you all to the 39th Annual General Meeting of ESAB India Limited. This meeting is in order since the requisite quorum is present.

Mr. Curtis Evan Jewell, Chairman informed the shareholders that pursuant to the SEBI circular and MCA guidelines, the soft copy of the Annual Report of the Company for the financial year ended 31 March, 2026 was sent electronically to the shareholders on 3rd July, 2026. He further said that there were no qualifications in the reports of the Statutory and Secretarial Auditors. The statutory registers are available for inspection by the Members at the website of the Company.

Chairman's Speech

I welcome all to the Thirty Ninth Annual General Meeting of ESAB India Ltd. which is being held virtually. The Annual Report has been with you for a while and with your permission I take this as read.

Environment, Health and Safety continues to be the highest priority at ESAB as we strive to deliver the highest standards of safe working practices and minimize our impact on the environment.

Your Company achieved a revenue growth of 9.6% and strong growth in profits compared to the prior year. This growth was achieved across key product categories, growth in service income and exports of manufactured products from India. The Company continued to benefit from its access to ESAB's global processes.

Based on the financial performance and after evaluation of cash flow requirements, your Board has proposed a final dividend of 25 Rupees per equity share.

I thank all the Independent Directors and other Board members for their valuable contributions made during this financial year 2025-26.

Finally, I would like to thank the entire team of ESAB and our customers, suppliers and other stakeholders for all their support during the year.

Agenda

Mr. Curtis Evan Jewell, Chairman has taken up the items of the businesses placed before the shareholders as below:

Agenda No.1:

To Consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2026 together with the Reports of the Directors and Auditors thereon.

Agenda No.2:

To approve a final dividend of Twenty Five Rupees per equity share.

Agenda No.3:

To appoint a Director in place of Mr. B Mohan having DIN 00261434 who retires by rotation and is eligible for re-appointment.

Since Mr. Curtis Evan Jewell is an interested Director in the agenda item No.4, Mr. Curti Evan Jewell requested Mr. Ramesh Rajan, Independent Director to occupy the Chair and conduct this business item with the permission of other Board members.

At the request of the Chairman, Mr. Curtis Evan Jewell, Mr. Ramesh Rajan, Independent Director occupied the Chair to conduct the agenda item No.4 which was placed before the shareholders for approval as follows.

Agenda No.4:

To appoint Mr. Curtis Evan Jewell, as Non-Executive Nominee Director with effect from 1st May 2026.

Upon completion of the above agenda item, Mr. Ramesh Rajan, Independent Director vacated the Chair and requested Mr. Curtis Evan Jewell, to resume the Chair to conduct the remaining business items of this meeting.

Mr. Curtis Evan Jewell resumed the Chair and conducted the remaining items of the business.

Agenda No.5:

To ratify the Remuneration to Cost Auditors of Rupees Five lakhs fifty thousand only.

Agenda No.6:

To approve payment of commission to Independent Directors not exceeding 1% of the net profits of the Company, in any financial year, for a period of five financial years from 2026-27 to 2030-31.

The Chairman has checked with Balaji have there been any queries raised by the shareholders in advance and in the chat box. Can you share it with the Board to respond to such queries.

G Balaji, Company Secretary has read out the queries received from the shareholders in advance and in the chat box as below:

1. Shareholder: Mr. Kaushik (DP ID Client ID No. IN30154918695099)

i) Query: Considering the rapid adoption of automation, robotics, and AI-enabled welding solutions across industries such as shipbuilding, railways, defence, and infrastructure, what percentage of the Company's revenue currently comes from value-added automated welding solutions? Over the next 3–5 years, what is the management's roadmap to increase this share, and what capital investments or strategic partnerships are planned to achieve this objective?

Response: Rohit Gambhir, Managing Director responded that the Company has a reasonable market share in automation and has been involved in successful completion of automation projects in the past. However, this tends to be lumpy and somewhat cyclical. The Company leverages on global technologies with some level of local integration to grow this business.

2. Shareholder: Gokul Shrigopal Maheshwari (DP ID Client ID No. 1203390000199186)

i) Query: Entity Consolidation: What is the strategic rationale for the parent company keeping EWAC and Akitv's businesses as separate entities rather than consolidating them under the listed ESAB India arm?

Response: B Mohan, Director & Finance responded that these businesses operate in customer segments that are somewhat different and we do not currently see any rationale for consolidating these under Esab India.

ii) Query: Product Pipeline: How does the global parent view the Indian subsidiary regarding the introduction of new products from recently acquired entities, and what is the timeline for localizing these technologies?

Response: Rohit Gambhir, Managing Director responded that as a Subsidiary of a Global entity, our Company does have access to new product launches by ESAB. These are evaluated in the light of fit for market in terms of applications and commercial viability.

iii) Query: Export Strategy: With India emerging as a viable, low-cost manufacturing alternative to China, what concrete steps are being taken to scale the export business?

Response: Rohit Gambhir, Managing Director responded that this is an ongoing exercise at a global level on cost initiatives. These are evaluated in the light of supply chain and duties structure perspective as well apart from specific requirements in international markets.

iv) Query: Segment Priorities: Could you clarify ESAB's current market positioning, competitive advantages, and strategic priorities across the following core areas viz. Continuous Welding Consumables, Stainless Steel Consumables, Maintenance, Repair and Overhaul (MRO) and Equipment.

Response: Rohit Gambhir, Managing Director responded that we continue to focus on strengthening our leadership across welding consumables, equipment, automation and MRO. Continuous Welding Consumables remain our largest focus area, while we are also expanding our presence in stainless steel and automation through targeted customer applications.

v) Query: High-Growth Pockets: Which specific end-user segments are currently outpacing the broader industry's growth, and what targeted actions is management taking to capture market share in these areas?

Response: Rohit Gambhir, Managing Director responded that we see strong opportunities in infrastructure, railways, energy transition, process industries and fabrication, where demand for higher productivity solutions continues to increase.

vi) Query: New products & margins: In which specific categories are new products being launched, and do they have better margins? Margin Sustainability: Gross margins have expanded by approximately 500 bps over the last 5 years. What have been the primary drivers of this expansion and is this current baseline sustainable?

Response: Rohit Gambhir, Managing Director responded that our new product pipeline is focused on premium consumables, inverter-based equipment, automation solutions and digital technologies that improve customer productivity.

vii) Query: New products & margins: Royalty Mechanics: What are the specific exceptions or product categories where royalty payments to the parent company do not apply? The parent company also makes similar margins of ~16-17%, why should an Indian operation with lower cost structure not make better margins?

Response: B Mohan, Director & CFO responded that exemptions are largely related to categories of sales like sales to fellow subsidiaries and of services. These have been standard exemptions over the past several years. On margins, there are structural differences as many parts of the businesses operate with higher gross profits and also higher Opex. India tends to be different on this count though at the operating margin levels, the results tend to be comparable

viii) Query: In the last 5 years sales to related parties are up nearly 5 times, what is the reason for it? Related Party Sales: What is the reason for sales to related parties? Is it capacity shortages at their end or shifting of supplies to this entity?

Response: B Mohan, Director & CFO responded that this is from a combination of growth in Service revenues from R&D and SSC apart from growth in exports of Welding products largely to Middle East. These are driven by demand vs capacity issues in markets from time to time.

xi) Query: Capex & Investments: i) In the last 4 years ~120 crs has been spent on capex, what have these investments been for adding capacities, upgradation or replacement? ii) What will future capital investments be for? Will these investments get larger in size?

Response: B Mohan, Director & CFO responded that Capex has been driven by replacements and upgrades to existing machinery apart from building capacity for R&D services out of India. We are largely invested in terms of short to medium term capacities.

3. Shareholder: J Abhishek (DP ID & Client ID: IN30163741359155)

i) Query: What will be the growth triggers in first half and second half?

Response: Rohit Gambhir, Managing Director responded that the Company operates in Fabrication technology segment. Growth is linked largely to Steel consumption and overall growth in manufacturing and infrastructure. Capex cycles in the Country influence the outlook

ii) Query: Please give the production capacity utilisation figures in % for the month April, May and June 2026? What was capacity utilisation of last year and last 5 years on moving average basis?

Response: Rohit Gambhir, Managing Director responded that capacity utilization levels are comparable to same period of prior year as adjusted for product mix, especially on filler metals. There is scalability within a given range based on planning in shifts and machine set up.

iii) Query: What are the new innovations and new product launches after April and what was the response?

Response: Rohit Gambhir, Managing Director responded that new products launches are an ongoing part of our business and there have been launches across both consumables and welding equipment; the response has been encouraging and we have a good pipeline of new products from ESAB's global portfolio apart from products developed specifically for local markets.

iv) Query: What is the cost cutting initiatives and production enhancement activity done by the management?

Response: B Mohan, Director & CFO responded that cost actions are undertaken across various dimensions. This ranges from sourcing, conversion costs, productivity enhancement projects and also opex spends. We work with an identified funnel of projects with targeted savings. These are periodically reviewed.

v) Query: What is the view of the management going forward on sustainability of the profit earning growth will remain the challenge in coming quarters?

Response: B Mohan, Director & CFO responded that there is a reasonable level of resilience in the Indian economy but we are not insulated from global turbulences including geo political developments and the overall impact of tariff related developments. Our ability to grow profitably would hinge on adapting quickly and continuing to stay competitive on costs with customer focused offerings. Our presence in segments like M&R does help ride a difficult phase.

vi) Query: What are the management efforts to improve working capital to sales ratio, ROCE, Net Debt to EBITDA multiple OPM, Debtor days and interest coverage ratio?

Response: B Mohan, Director & CFO responded that the Company remains debt free. Payment of dividends have helped manage ROCE. Working Capital does get closely monitored as part of our cash flow reviews.

vii) Query; What are the management efforts to improve company image through investor relation exercise like concall, quarterly presentation and meeting global investors?

Response: B Mohan, Director & CFO responded that we address all the queries of the shareholders during the AGM.

viii) Query: Please provide the details of parties in Other Current and Non-current Liabilities. Please let me know the details of our Contingent liabilities.

Response: B Mohan, Director & CFO responded that other current liabilities consist of dues under CSR, statutory dues, primarily on indirect taxes and also advances from Customers. Contingent liabilities largely related to tax related demands contested by the Company and pending at judicial forums

ix) Query: What are the management efforts to reduce Other Expenses, Legal Professional Charges & Audit Fees?

Response: B Mohan, Director & CFO responded that as with other costs, we continue to look for opportunities for optimization. In terms of legal and professional charges and audit fees, we need to have the right quality of firms we work with. We do leverage on globally negotiated terms with some of our service providers

x) Query: What are the credentials that the new and existing directors are bringing on the table to take the company to next phase of growth or to guide the new generation? Is the appointment being done after checking all the new amendments under clause 49?

Response: B Mohan, Director & CFO responded that new Directors have been appointed after going through the processes under Companies Act and related regulations. Their appointments are compliant with all applicable provisions. Their background and credentials were set out in the postal ballot documents sent out on. They bring rich and varied experience across various businesses and the Board is of the view that the Company would immensely benefit from their guidance and engagement

xi) Query: What is the policy related to dividend in our company as most of the senior citizens only depend on that?

Response: B Mohan, Director & CFO responded that dividends are paid based on cash flows and business needs. Members should be pleased to note that the Company has paid Rs.414 per Share of Rs.10 each over a 5-year period, including this year final dividend.

xii) Query: Where you see the industry in next 3 years and where our company will be placed within the industry as other players are more proactive and prudent?

Response: Rohit Gambhir, Managing Director responded that we do not wish to make any forward-looking statements. The Company continues to review the external environment to proactively address risks and threats.

4. Shareholder: Yogesh Patil (DP ID & Client ID: IN30281411455638)

i) Query: Our domestic revenue remains robust, bolstered by India's structural capex push. Could management share which specific end-user industries (e.g., railways, heavy engineering, shipbuilding, or renewable energy) saw the most aggressive demand in FY26, and where do we expect the strongest momentum over the next 3 years?

Response: Rohit Gambhir, Managing Director responded that demand during FY26 was broad-based, with healthy contributions from infrastructure, railways, heavy engineering, energy and process industries. We expect these sectors, along with increasing manufacturing investments and automation adoption, to remain key growth drivers over the next three years

ii) Query: Historically, welding has been labor-intensive, but there is a clear shift towards automation. How is ESAB India positioning its advanced automated cutting machines, Cobots (collaborative robots), and digital traceability software (like Weld Cloud) to capture high-margin demand from premium fabricators?

Response: Rohit Gambhir, Managing Director responded that automation is a key strategic growth area for ESAB India. We continue to expand our portfolio of automated cutting systems, Cobots and digital solutions such as WeldCloud® to help customers improve productivity, quality, traceability and operational efficiency. We believe these solutions position us well to address the increasing adoption of automation across manufacturing industries

iii) Query: Our international revenue grew by an exceptional 31% to ₹252.5 crore this fiscal year. Which geographic regions (such as the Middle East, Africa, or other parts of Asia) contributed most to this surge? Do we have dedicated strategies to penetrate new, underserved international markets in the coming years?

Response: B Mohan, Director & CFO responded that service incomes are largely out of Europe and North America whilst exports of goods are across Middle East and South East Asian Countries

iv) Query: The Annual Report highlights strong, double-digit growth in our support services through the GCC, and R&D services provided to related parties. Could management elaborate on the scope of this segment? Do we plan to scale this further, and what is the margin profile of this service-oriented export compared to our core manufacturing business?

Response: B Mohan, Director & CFO responded that the prospects of this segment are linked to cost and skill competitiveness of India. The Company has over the years, developed capabilities in both R&D and GCC. Here again, the prospects are linked to our being able to sustain the advantages which got us here and, in our ability, to absorb technology driven changes and changing business priorities

v) Query: As a subsidiary of a global leader (ESAB Corp), how is the parent company leveraging ESAB India as a global manufacturing hub.

Response: B Mohan, Director & CFO responded that this is based on an ongoing evaluation of conversion costs and also logistics costs apart from markets that we deal with.

5. Shareholder: Himanshu A Trivedi (DP ID & Client ID: 1301670000688192)

i) Query: Please let me know employees strength in our organization.

Response: B Mohan, Director & CFO responded that this is covered in the Annual report in Page 39. There are 816 associates including non-permanent employees

ii) Query: What is capex program for next two yrs who is our Leading competitors Give me details of future plan of our company. Please explain future pipeline project. Recently current year let me know how much profit booking as on date and let me know company think over introduced new products coming current financial year let me know in how many countries we export our product current financial year let me know how many plants in Chennai particular in Ambattur let me know how many products distributor in all over India

Response: Rohit Gambhir, Managing Director responded that our capital expenditure over the next two years will continue to focus on capacity enhancement, modernization, automation, digitalization and productivity improvements. We operate in a competitive market with both domestic and multinational players and remain focused on strengthening our technology leadership, customer service and operational excellence. We continue to invest in new product development across consumables, equipment and automation solutions to meet evolving customer requirements. Our products are exported to multiple countries across Asia, the Middle East, Europe and other international markets. Information relating to current profit booking, future projects under evaluation, distributor network details and certain operational metrics is commercially sensitive and is therefore not disclosed.

6. Shareholder: Rajat Setiya (DP ID & Client ID: IN30021415928691)

i) Query: Service Income: Could you explain what is the service income recorded in the revenues? Do you see the share of service income in the revenue mix changing in the next 2-3 years? Could you quantify the EBITDA margins from service income? If not, would it be reasonable to assume that EBITDA margins on service income would be much higher than 17-18% margins we make on company-wide basis?

Response: B Mohan, Director & CFO responded that this has been covered in some of the previous responses. Broadly, this is about recharges for R&D and Global Business Services out of the Company to Esab entities around the World. The share of service income has been steady and increasing marginally over the years. Its share in the future is a function of overall revenue growth even as we remain committed to growing this. Margins on service income are benchmarked to industry and transfer pricing thresholds and are not strictly comparable with the rest of the business.

ii) Query: Could you provide some qualitative commentary on Flux Cored Wire segment? Are you witnessing any increased competition here?

Response: Rohit Gambhir, Managing Director responded that our investments remain focused on modernization, product localization, automation capabilities and export competitiveness, enabling us to support long-term profitable growth.

iii) Query: Could you provide some qualitative commentary on Welding equipment segment? Are you witnessing any increased competition on the equipment side?

Response: Rohit Gambhir, Managing Director responded that the welding equipment market remains competitive, with both domestic and international players expanding their presence. We continue to strengthen our position through differentiated technology, product innovation, application expertise and a strong service network, while focusing on profitable growth.

iv) Query: Could you provide some qualitative commentary on Welding automation segment? Are you witnessing any increased competition on the automation side?

Response: Rohit Gambhir, Managing Director responded that the welding automation market continues to offer significant long-term growth opportunities as customers increasingly focus on productivity, quality and skilled labour availability. While competition remains healthy, we believe our integrated portfolio of automation solutions, application expertise and customer support positions us well for future growth.

v) Query: Could you provide some qualitative commentary on the following industries and which would be more substantial for ESAB in driving future growth: Thermal Power, Nuclear Power, Railways, Oil & Gas, Shipbuilding, Defence.

Response: Rohit Gambhir, Managing Director responded that we remain positive on the long-term outlook across Railways, Oil & Gas, Shipbuilding, Defence, Thermal and Nuclear Power. We expect

Railways, Energy and Defence to continue offering attractive growth opportunities, while our diversified industry presence provides resilience across business cycles.

vi) Query: Is it fair to say that on an industry level, reclamation consumables have stopped growing or the growth is minimal compared to joining consumables?

Response: Rohit Gambhir, Managing Director responded that while we do not want to get into details on specific product categories, it is fair to say we have grown across all key product categories.

vii) Query: Could you share the revenue mix based on welding techniques: Stick Electrodes related, FCW related, SAW Relates, MIG related, TIG related, Others; how do you see this mix changing in the next 2-3 years? Margin difference between exports and domestic sales? Margin difference between equipment and consumables? Margin difference between revenue from manufactured goods and traded goods?

Response: B Mohan, Director & CFO responded that we operate in Fabrication Technologies as a segment with a fair share of revenue in Consumables coming in from all the product categories you have listed. We have not seen unforeseen changes over the years. Margins are a function of the product categories, channel, volumes and other drivers including FX. It would not be in the interest of shareholders to get into granular details on margins.

viii) Query: How do you look at growth for FY27 and FY28? How do you see the domestic vs export mix changing in next 2-3 years? Do you see any scope in operating margin expansion beyond 17-18%? What would be the levers for that and expected timeline to get there? What would be the key focus areas for us while incurring new capex in next 2-3 years?

Response: B Mohan, Director & CFO responded that we would not want to get into any forward-looking statements on outlook and remain focussed on growth in sales and profits. The levers for growth have been addressed in a previous question. Capex would continue to be prioritized based on EHS, productivity, capacity and automation considerations.

7. Name of the Shareholder: Sanjog Saraf (DP ID & Client ID: 1206780000017642)

i) Query: Revenue has grown during the year; kindly explain the contribution of volume growth, price realization, and product mix to the overall increase in revenue.

Response: B Mohan, Director & CFO responded that materials costs as a percentage to sales has improved by 20 bps. We have had both price and volume growth during the financial year

ii) Query: EBITDA margin has changed compared with the previous year. Please explain the key operational and financial factors responsible for this movement.

Response: B Mohan, Director & CFO responded that EBITDA margin movements are linked to revenue growth and higher service income. We also had the impact of one timers on profit on sale of assets and labor code related costs.

iii) Query: Inventory levels have changed significantly. What specific initiatives has the management undertaken to optimize inventory without affecting customer service levels?

Response: B Mohan, Director & CFO responded that we have had multiple challenges in supply chain with disruptions arising from West Asia conflicts adding to the headwinds. Despite this, the Inventory turns were reasonable at 6.5 as against 6.7 in the previous year.

iv) Query: Trade receivables have increased relative to sales. Please explain whether there has been any change in the company's credit policy or customer payment behaviour.

Response: B Mohan, Director & CFO responded that trade receivables movements are linked to phasing of sales and also vary by product categories. In terms of Turns, the Company ended at 6.3 vs 6.6 in the previous year.

v) Query: Kindly provide the ageing profile of receivables outstanding beyond 180 days and the basis for assessing Expected Credit Loss (ECL) provisions under Ind AS.

Response: B Mohan, Director & CFO responded that there has been no significant change in the aging profile as adjusted for profile of orders. The basis of ECL provisioning is consistent with the treatment in past years

vi) Query: Operating cash flow does not appear to be fully aligned with the growth in reported profit. Kindly explain the major reasons for this variance.

Response: B Mohan, Director & CFO responded that operating cash flows before working capital changes have improved by close to Rs.300M over the previous year. Cash flows are part of performance metrics and there is plenty of management attention to this in all internal reviews.

vii) Query: What steps are being taken by management to improve free cash flow generation and the overall cash conversion cycle?

Response: B Mohan, Director & CFO responded that focus on working capital, Capex and negotiated terms with customers and supply chain partners are amongst the key steps in this direction

viii) Query: Please explain the criteria adopted by the Board while approving major capital expenditure projects and the expected return on such investments.

Response: B Mohan, Director & CFO responded that a business case evaluation is key for all capacity linked Capex. The Company prioritizes EHS at all times and any capex on these items get high priority as well.

ix) Query: Has the company evaluated any significant capacity expansion or modernization plans during FY 2026–27? If yes, kindly provide the expected investment and funding strategy.

Response: B Mohan, Director & CFO responded that the Company is equipped to handle growth in volumes in Filler Metals and Equipment for the medium term.

x) Query: Return on Capital Employed (ROCE) has changed during the year. Kindly explain whether this is a temporary trend or reflects structural changes in the business.

Response: B Mohan, Director & CFO responded that ROCE was at 60% as against 65.4% in the previous year. The variance is largely a function of distribution of profits over the two years

xi) Query: Were all related party transactions carried out on an arm's length basis, and were they independently benchmarked wherever considered necessary?

Response: B Mohan, Director & CFO responded that RPTs are benchmarked and are subject to independent assessments wherever required. These are carried out at arms' length.

xii) Query: Has the Audit Committee identified any significant deficiencies or material weaknesses in Internal Financial Controls during the year?

Response: B Mohan, Director & CFO responded that the Audit Committee review the internal financial controls with the statutory auditors and the internal auditors on quarterly basis. There was no weakness in the Internal Financial Controls.

xiii) Query: Were there any instances of fraud, whistle-blower complaints, or significant control lapses reported during FY 2025–26? If yes, kindly provide the corrective actions taken.

Response: B Mohan, Director & CFO responded that there were no instances of fraud and whistle-blower complaints during 2025-26. This is being reported on a quarterly basis to audit committee and the Board.

xiv) Query: Please explain the nature and potential financial impact of the major contingent liabilities disclosed in the financial statements.

Response: B Mohan, Director & CFO responded that contingent liabilities are primarily from tax matters and a few matters of litigation. The Company does evaluate options of settlements wherever feasible

xv) Query: What is management's assessment regarding the outcome of significant tax litigations and other legal proceedings pending against the company?

Response: B Mohan, Director & CFO responded that management's assessments are suitably reflected in terms of provisions or disclosures under contingent liabilities.

xvi) Query: Which business segment generated the highest incremental profitability during the year, and what strategic initiatives contributed to its performance?

Response: B Mohan, Director & CFO responded that the Company operates in only one segment which is Fabrication Technologies. Sales and profit growth were seen in all key product categories within this segment

xvii) Query: What percentage of the company's imports is covered through foreign exchange hedging, and what was the net impact of currency fluctuations on profitability during FY 2025–26?

Response: B Mohan, Director & CFO responded that based on the value of exports and imports as also the Foreign Currency mix within this, the Company did not take any Hedges. Net Foreign Exchange gain during the year was Rs.316 Lakhs vs Rs.233 Lakhs in the previous year.

xviii) Query: Kindly explain how the company's ESG and sustainability initiatives have translated into measurable operational efficiencies or financial benefits.

Response: B Mohan, Director & CFO responded that in alignment with our global target of reducing carbon footprint emission by 30% compared to 2022 levels, our Company with a constant focus has increased its consumption of renewable energy viz. solar power and wind in lieu of fossil fuel which resulted into good amount of carbon footprint emissions savings. Further the Company has also taken various energy efficiency projects which resulted in energy savings and operational efficiencies.

xix) Query: What principles does the Board follow while determining the dividend payout ratio, and how is shareholder return balanced with future growth requirements?

Response: B Mohan, Director & CFO responded that the Company has Dividend Declaration Policy and the dividend payout is guided by the policy and the Board prudence.

xx) Query: Please elaborate on the Key Audit Matters identified by the statutory auditors and the measures adopted by management to address those matters.

Response: B Mohan, Director & CFO responded that the Key Audit Matters are available in the Audit Report (Page 96) which is available with the shareholders for their reference.

xxi) Query: Were there any significant changes in accounting estimates, assumptions, or accounting policies during the year that had a material impact on the financial statements?

Response: B Mohan, Director & CFO responded that there were no significant changes in accounting estimates, assumptions, or accounting policies during the year 2025-26 which had a material impact on the financial statements.

xxii)Query: Has the company carried out impairment testing under the applicable Indian Accounting Standards, and were there any material impairment indicators identified during the year?

Response: B Mohan, Director & CFO responded that there were no material impairment indicators

xxiii) Query: What are the top three strategic and operational risks identified by the Board, and what mitigation measures have been implemented?

Response: B Mohan, Director & CFO responded that key risks are covered as part of risk management committee agenda.

xxiv) Query: What percentage of the current year's revenue was generated from products introduced during the last three years, and how does management assess the success of its innovation strategy?

Response: B Mohan, Director & CFO responded that good traction was seen in new product launches in Filler Metals as well as Standard Equipment.

xxv) Query: Kindly reconcile the growth in Profit After Tax with the movement in operating cash flows and explain the principal reasons for any material divergence.

Response: B Mohan, Director & CFO responded that the growth in operating cash flows are aligned to growth in PAT as adjusted for one timer.

xxvi) Query: What proportion of the improvement in profitability is attributable to operational efficiencies as compared to one-time gains, accounting estimates, or non-recurring items?

Response: B Mohan, Director & CFO responded that the Income statement does have disclosures on one timer. There are no changes driven from changes in accounting estimates.

xxvii) Query: Has the management performed sensitivity analyses on key accounting estimates, including impairment testing, deferred tax assets, warranty provisions, and Expected Credit Loss assumptions? If so, kindly summarize the significant observations.

Response: B Mohan, Director & CFO responded that the Management performs the requisite analysis on all key accounting estimates.

xxviii) Query: What are the management's medium-term targets for Return on Capital Employed, Free Cash Flow generation, and operating margin over the next three years, and what strategic initiatives are expected to achieve these objectives?

Response: B Mohan, Director & CFO responded that while we do have annual and medium-term goals, we do not give any forward-looking statements.

8. Name of the Shareholder: Ravikumar (DP ID & Client ID: 1208250000797120)

i) Query: What are the key drivers behind the growth in revenue and profitability during the year? What measures are being taken to improve operating margins? What is management\'s outlook for FY2027 considering current market conditions? How is ESAB managing raw material price fluctuations and currency risks? Is ESAB India actively investing in AI technologies? How much cost savings or efficiency improvements has management realized so far from automation and digital initiatives? What initiatives are being taken to improve receivable collections and reduce working capital requirements?

Response: Rohit Gambhir, Managing Director responded that there many factors that play key roles in boosting revenue and profitability which includes performance, pricing, operational leverages, etc. Regarding raw material price fluctuation and currency risk, he clarified that the Company has been taking timely response to supply chain disruption in the interest of the business. He further appropriately clarified all the queries raised by the shareholder. He further informed that the Company is also embracing AI technologies with the support of parent company. He further explained the efficiency improvement from automation and digital initiatives including the collections and working capital management.

9. Name of the Shareholder: Gautam (DP ID & Client ID: 1203530000002580)

i) Query: A request to the Management to have more frequent communication with the stakeholders. Unlike the parent company, Esab India does not hold investor calls to provide a detailed discussion on the quarterly results.

Response: B Mohan, Director & CFO responded that all shareholders queries are being addressed through AGM.

ii) Query: A request to the management to make payment of dividend earlier than the statutory limits prescribed under the laws/regulations. This will demonstrate Company's strong governance practices, robust operational systems and deep commitment to shareholder value. India's largest company by number of shareholders pays dividend on the same day as the AGM. I am sure Esab India can also emulate this good practice.

Response: B Mohan, Director & CFO explained that the Company need to carry out certain activities before execution of payment of dividend viz. TDS reconciliation, FEMA documents for foreign shareholders remittances, etc. Hence these things need to be considered while fixing the dividend payment date. However, all dividends are being paid on time within the statutory time limit.

The Chairman informed that all the questions of the shareholders were answered.

He further informed that the results of the Remote E-voting and E-voting exercised today by the shareholders would be announced on or before 31st July, 2026:

i. At the website of Stock Exchanges – BSE and NSE;
ii. At The website of NSDL;
iii. At the Notice Board; and
iv. At the website of the Company www.esabindia.com

The Chairman thanked all the shareholders for their participation in the meeting and declared that the 39th Annual General Meeting as closed.

Thank you

x-x-x