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**TRANSCRIPT OF THE 17TH ANNUAL GENERAL MEETING OF BHILWARA
TECHNICAL TEXTILES LIMITED HELD ON FRIDAY, 20TH SEPTEMBER, 2024
AT 02:00 P.M.**

Shri Avnish Maurya: Good afternoon. I Avnish Maurya, Company Secretary and Chief Financial Officer of Bhilwara Technical Textiles Limited, participating from Noida, welcome you to the 17th Annual Meeting of the Company. As the members are aware, in accordance with various circulars of MCA and SEBI, this meeting is being held through video conferencing or other audio-visual means without the physical presence of the members. The deemed venue for the AGM shall be the registered office of the Company at LNJ Nagar, Mordi, Banswara, Rajasthan.

All Board members are present in the meeting except Shri Riju Jhunhunwala Ji. Shri Shekhar Agarwal, Chairman and Managing Director and CEO, will chair the meeting.

In compliance of provisions of the Companies Act 2013, read with relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, remote e-voting facility was provided to all its members started from Tuesday 17th September 2024, at 9:00 a.m. and ended on Thursday 19th September 2024, at 5:00 p.m. The company is also providing e-voting facility during the AGM to enable the members to cast their vote who have not done through remote e-voting. Further, the Company has appointed Smt. Manisha Gupta, Practicing Company Secretary as the scrutinizer for the 17th AGM to scrutinize the remote e-voting (including e-voting during the AGM) process in a fair, transparent, and efficient manner. The voting results will be declared within two working days of the conclusion of the AGM. The results, along with the scrutinizer report, shall also be submitted to the stock exchange and will also be uploaded on the website of the Company. Notice of 17th, Annual General Meeting and the Annual Report for the Financial Year 24 were mailed electronically to the shareholders on 28th August 2024 at their email address registered with the Company or Depository Participants. The Statutory Registers maintained as per the Companies Act, 2013 are kept open electronically for inspection by the members during the AGM. At this moment, 58 participants have joined. Hence the requisite quorum is present. Now, I request Chairman Sir to please welcome and address the members present at the meeting.

Shri Shekhar Agarwal - Thank you, Avnish. Good afternoon, ladies and gentlemen. I am Shekhar Agarwal, Chairman and Managing Director of your Company, joining this AGM from my office in Noida. I welcome the members to the 17th Annual General Meeting of your Company. I would like to mention that in compliance with the various circulars issued by the Ministry of Corporate Affairs and SEBI, this AGM today is being convened through video conferencing or other audio-visual means. Your Company has taken all feasible steps

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to ensure that the shareholders are provided an opportunity to participate in this AGM. The requisite quorum is present, and therefore, I call the meeting to order. I welcome my other colleagues on the Board of your Company to this 17th Annual General Meeting.

I would now like to introduce the Board Members to you.

Shri Shantanu Agarwal: Good afternoon, everyone. I am Shantanu Agarwal, a Director of your Company. I am a member of the Audit Committee, and I am joining this AGM from my office in Noida. Thank you.

Shri Shekhar Agarwal: Thank you, Shantanu. Smt. Sunita Mathur.

Smt. Sunita Mathur: Namaskar, I am Sunita Mathur, an Independent Director of the Company. I am the Chairperson of the Audit Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee, and I am joining this AGM from Noida. Thanks.

Shri Shekhar Agarwal: Thank you, Sunita Ji. Shri Rakesh Kumar Ojha.

Shri Rakesh Kumar Ojha: Good afternoon, everyone. I am Rakesh Kumar Ojha. I am an Independent Director, and a member of the Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee. I am joining this meeting from Dubai.

Shri Shekhar Agarwal: Thank you, Rakesh Ji. Shri Manish Gupta.

Shri Manish Gupta: Good afternoon, everybody. I am CA Manish Gupta. I am an Independent Director on the Board of BTTL, and I am joining this meeting from Mumbai.

Shri Shekhar Agarwal: Thank you, Manish Ji. We also have with us the representative from our statutory auditor, Shri Mukesh Goyal, Partner of M/s Doogar and Associates, Chartered Accountants. Kindly introduce yourself, Mukesh Ji.

Shri Mukesh Goyal: Good afternoon, everybody. My name is Mukesh Goyal. I am Audit Partner at Doogar and Associates, Chartered Accountants, New Delhi and I am attending this meeting from Hyderabad. Thank you.

Shri Shekhar Agarwal: Thank you, Mukesh Ji. We also have with us representatives from our Secretarial Auditor, and Scrutinizer of this meeting, Smt Manisha Gupta; M/s. Manisha Gupta and Associates, Company Secretaries, New Delhi. Manisha Ji.

Shri Manisha Gupta: Good afternoon, everyone. I am Manisha Gupta, Practicing Company Secretary. I am attending this meeting from my office in New Delhi. I am also being appointed as a scrutinizer to scrutinize remote e-voting, including e-voting during the AGM process, in a fair and transparent manner for this AGM. Thank you.

Shri Shekhar Agarwal: Thank you, Manisha Ji. We also have with us Shri Manoj Gupta, Chief Financial Officer of Maral Overseas Limited, Shri Sandeep Singh, Company Secretary of Maral Overseas Limited and Shri Avnish Maurya, who has already spoken.

The Annual Report for the financial year ended 31st March, 2024, containing the standalone and consolidated financial statements, have already been circulated to the members of the Company electronically. With your permission, I take it that you have gone through the same. The Auditor's report on the standalone and consolidated financial statements and the Secretarial Audit report of the Company for the financial year ended 31st March, 2024, do not contain any qualification, reservation, adverse remarks or disclaimer. Accordingly, the reports are not required to be read out as provided in the Companies Act, 2013. Now, with your permission, I would like to welcome you to my formal address.

It gives me great pleasure to welcome all of you on this occasion of the 17th Annual General Meeting of your Company. It is an honour and privilege to address you today.

Economic Scenario: At the outset, I would like to present a brief overview of the economic conditions prevailing globally and within the textile industry. After a year marked by global uncertainties and volatilities, the global economy has shown some resilience. Despite elevated uncertainties coming from adverse geopolitical developments, global economic growth was surprisingly robust. As per the World Economic Outlook released by the International Monetary Fund in April 2024, the baseline forecast predicts continued economic growth at 3.2% during 2024 and 2025, at the same pace as in 2023. However, the escalation of the red sea crisis in October 2023 amid heightened geopolitical tensions in the Middle East led to supply chain disruptions and adversely impacted the global trade and operations. Consequently, elevated inflation and higher interest rates had shaken consumer confidence, leading to a shift in priorities and spending patterns.

In contrast, India's economy maintained its momentum from fiscal year 23 into fiscal year 24, despite numerous global and external challenges. The focus on macroeconomic stability ensured minimum impact on India's economy. As a result, India's real GDP grew by 8.2% in fiscal 2024, posting a growth of over 7% for the third consecutive year, driven by a stable consumption demand and steadily improving investment. Furthermore, India's economy expanded by 7% in financial year 24 owing to strong investments in infrastructure and robust manufacturing growth. The current year's economic growth has continued on a

similar trajectory, aided by a robust expansion in the mining, manufacturing, construction, and services sectors.

Coming to the Industry Scenario: Almost all textile producing nations worldwide continued to experience difficulties in year 2023. Although luxury market initially performed well, but in the latter half of the year, it too suffered lower demand. Retailers in major export markets like the US and the EU, where high-cost inventories were stocked with brands during FY 2022 struggle to clear the stocks due to weak demand and are still sitting on merchandise in their warehouses. Additionally, geopolitical issues, raw material price volatility, energy price hikes, labour shortage and rising interest rates further impacted the demand. However, the global textile industry is anticipating a possible growth in fiscal 2025 due to changing consumer preferences and paradigm shift from work-from-home culture to return to office culture.

Indian textile industry contributed more than 2% of the overall GDP, over 13% of the industrial production, and 12% of total exports from India, making it one of the most important economic sectors of the country. Challenges related to raw material, both cotton and man-made fibre and a sharp increase in the power cost in most of the textile manufacturing states had a detrimental impact on the textile industry. The red sea crisis and unfavourable economic conditions impacted the exports of textile products, including readymade garments. The exports of readymade garments shrank by 11.4%. Although Bangladesh is a major player in the global textile industry, recent nationwide turmoil there has created an opportunity for India textile players to gain market share globally.

The domestic textile sector appears promising due to the improved earning propensity of the average Indian, a flourishing retail sector, and booming e-commerce. Additionally, India signed a free-trade agreement with four developed nations, i.e., Iceland, Liechtenstein, Norway, and Switzerland, an important European block. FTA will enable Indian exporters to access a large European and global markets. Technical textile is a rapidly growing sector in India with considerable potential for future expansion. Despite significant strides, technical textile consumption stands in India at less than 10%, compared to more than 50% in advanced nations. The advancement in technology, increasing needs from various industries and the support from Government are expected to drive growth in this market.

Company's Business Performance during FY 24: Let me now briefly mention about the company's performance during the fiscal 2024. During the year under review, despite facing challenges, difficult market conditions, and global economic slowdown in both, domestic and international markets, your company recorded reasonably good performance with increased topline and almost at par profitability. For the fiscal 2024, the company recorded revenue from operations of Rs. 14.37 Crore as against Rs. 12.52 Crore in the

previous year. The net profit after tax was Rs. 1.32 Crore as compared to Rs. 1.45 Crore in the previous year.

Operational Performance 30th June, 2024: In the first quarter of the current fiscal, your company recorded a turnover of Rs. 128 Lakh as compared to Rs. 400 Lakh in the corresponding quarter of the previous year. However, a net profit of Rs. 106 Lakh was reported in the first quarter of the current fiscal as against a net profit of only Rs. 52 Lakh in the corresponding quarter last year. The textile industry is facing sales price pressure and struggling to recover yarn prices due to competition and weak demand in international markets. Yarn trading has always been a difficult sector. Although our extensive experience throughout the value chain has given us the reputation and goodwill to deliver fine products to our clients. It is anticipated that the demand for yarn may improve in the foreseeable future.

Your directors are envisaging to accelerate the volume of business to exports and domestic sales of various textile products, including exploring new avenues and are hopeful of achieving a high turnover and profitability in the current year. Your company is working on several avenues for entering the technology space which will enable us to participate in India's industrialisation journey, which promises to unwind significant opportunities.

Our strong financial health isn't just a number on a page; it's the fuel that propels our innovation engine. This robust position allows us to explore exciting new opportunities very actively.

I also take this opportunity to express my sincere gratitude towards my colleagues on the Board for their valuable guidance and advice to the management of the company. On behalf of the Board of Directors of the company, I also take this opportunity to express my sincere thanks and gratitude to all our bankers, financial institutions, central and state Governments, and various other authorities, stakeholders, and ensure shareholders for their cooperation and continued trust, which is the real source of our success. I take pride in the unswerving contributions and commitment of our people for their relentless efforts.

Once again, I like to express our earnest gratitude to each one of you, our shareholders, and I look forward to your undeterred support and cooperation. Best wishes to all of you. Thank you. Keep healthy and stay safe.

With this, I will hand over to the Company Secretary.

Shri Avnish Maurya: We have received a request from four members of the Company for registering themselves as speaker shareholders in the AGM today. We request the speaker shareholders to limit the speech to 3-5 mins for the benefit of other shareholders. Chairman

would be responding to such queries either at the AGM or subsequently through email. Now, I would like to highlight to the speakers that when I take your name him, your mic will be open by the moderator of this AGM. You will have to also unmute mic from your end and express your views or ask questions. I now invite Shri Gundluru Reddeppa, who has registered himself as a speaker to express his views and ask questions. Moderator, please help Mr. Reddeppa to join.

Shri Gundluru Reddeppa: Hi Sir.

Shri Shekhar Agarwal: Yes, Mr. Reddeppa, kindly go ahead.

Shri Gundluru Reddeppa: Thank you, Sir. We have very good memories of the last AGM, Sir. Nice, wonderful arrangement. First of all thanks to management of Bhilwara Group, BTTL, Independent Directors, Executive Directors and Company Secretary. Good afternoon, Sir Namaste. My name is Reddeppa Gundluru from Hyderabad. Sir, as a shareholder for the Company, I am very happy and proud Sir. *Bhilwara Group ne bahut accha performance diya hai, Sir. Iske liye bahut bahut dhanyawad aapko mein express karta hoon, Sir.* I requested a physical copy of the Annual Report. I received the Annual Report well in advance. There is a wonderful explanation, especially, my Company has almost debt free, Sir. A special thanks to our Company's Chairman and Managing Director. *Performance accha hai. Share price bhi compared to the last financial year bahut accha hai. Iske liye bahut bahut dhanyawad, strong financials.* Thank you for the transparency in Governance and Company always seems reasonable. The new secretary called me and even sent me the Annual report, link, as well as a reminder. So, it shows us- *yada raja, tada praja.* My Company management is ethically doing business under your leadership. Employees also, very good transparency and also, they are very professional.

Chairman Sir, here my question is RoI Sir, return on equity now is 5.44% over the last 3 years. So, going forward, what is our vision, what are your plans to increase and take it to the next level- this RoI. So, tell us what your vision is, Sir. Apart from this, there is no other question Sir. Everything is clean and transparent. *Bas ek hi question mila hai, RoI ke baare mein.* So, please comment on this and going forward, what is your major strategic plan to increase our sales. *Thoda iske baare mein bataiye, Sir.*

Shri Shekhar Agarwal: Thanks for your questions, Mr. Reddeppa.

Shri Gundluru Reddeppa: Sir, I have one more question, Sir.

Shri Shekhar Agarwal: Yes, please. You are on mute again.

Shri Shekhar Agarwal: He has left the meeting. Anyway, we have two streams of business in the company. One is trading and the other is investments and trading, as you know, trading is a low margins business. Although in our case compared to our peers, we do much better with better returns than others, all efforts are being made to improve this by adding more value-added special yarns for sales, and I am very hopeful that in the coming months, quarters and years, we will improve our RoI through better profitability.

Shri Avnish Maurya: I now invite Mr Abhishek J. who has registered himself as a speaker to express his views and ask questions. Moderator, please help Mr. Abhishek J.

Shri Abhishek J: Can you hear me Sir? Am I audible?

Shri Shekhar Agarwal: Yes, you are.

Shri Abhishek J: Annual General Body meeting, I trust all is well with you and your family in this challenging situation. The Company deserves much more respect than the current market cap. After completing more than a decade of successful operations, profitability, dividend history, and becoming one of the reputed brands in the respective segment. Sir, as of date, how many employees are there in the company? What are the steps being taken by the management to reduce the other expenses, legal, professional charges and the audit fee? Myself and my team are running a legal firm in the name and style of 7 Wells Associates in Chennai. So, I request the management to kindly enrol the firm in the empanelment of the Company and we will be glad to extend our services. Then, I would request the management to kindly consider a hybrid AGM in the years to come because most of the senior citizens are not able to join because of digital challenges of the virtual platform. If we can consider a hybrid AGM in the days to come, more number of shareholders can join the meeting and get the variable points and ideas that will be helpful for the management to implement in the future. Then, in the CDSL & NDSL platform where we exercise our e-voting and where we get access to the annual general body meeting, you can update the link for inspection of members, register of members, KMPs, and registers of contracts of the company so that the members can evaluate these documents online itself and they may not reach out to you at a later stage seeking all these documents. Then, I would request the management to kindly arrange for a plant visit for the shareholders. I would request the management to kindly give us an appointment to meet and greet you when you come to our city. I would like to request the management to kindly take care of the hospitality part of the investor fraternity. Then, nothing much to ask, Sir. I wish the Company and the Board of Directors a great success and prosperity in the coming future and thank you for giving the opportunity, Sir. Hope to see you in the hybrid AGM next year. Thank you.

Shri Shekhar Agarwal: Thank you, Mr. Abhishek. We have 3 employees in our Company- myself, the Company Secretary, and the CFO, and one more manager under him. And I

think with the activities that we have; this is sufficient to run the Company as of now and we will continue with this. You requested for a hybrid meeting for the AGM but as per the notification of the Ministry of Corporate Affairs and the Securities and Exchange Board of India, we are following the meetings through a virtual mode, and we propose to continue doing that. The third question you raised was about empanelment of your legal firm in Chennai. As of now, we do not have any business in Chennai and as and when the need arises for us for any kind of legal support in that area, we will definitely put you on our active list and consider your firm to help us in such matters. I think I have answered all your questions. Thank you very much.

Shri Avnish Maurya: I now invite Shri Manoj J. Bagadia who has registered himself as a speaker to express his views and ask questions.

Shri Manoj J. Bagadia: Hello, can you hear me?

Shri Shekhar Agarwal: Yes. Yes, Manoj Ji.

Shri Manoj J. Bagadia: Thank you very much, Sir for the opportunity. I think it is very heartening to see our venture is doing extremely well where we are doing very well. As you mentioned, this yarn trading is very competitive business and with limited opportunities. So, if you can elaborate on the growth in existing business in the venture where we are basically into the car seating fabric and everything fabric and all. And apart from that, you mentioned about entering into technology. So, can you just talk in detail about what technology, what are we looking at and are we also looking at any of the other kind of about speciality fabric, technical fibres or technical textile. Thank you very much, Sir.

Shri Shekhar Agarwal: Thank you, Manoj Ji. So, being in the yarn trading business we do not deal in very basic yarns where the margins are practically not there. We only deal in yarn which is value added and has special applications. And our focus now is more and more on exports. So, we have customers in various countries with whom we have been increasing our business and I am very confident that in the times to come, our business will grow with these customers in these markets, and we should see a better topline and bottom line with that. You asked about our future plans. We are working on special plans for technical textiles using special fibres like aramid fibres, flame retardant fibres and for special applications in various industries- defence. aerospace, etc. Nothing has been concretized yet but we are continuously pursuing these projects with possible technologies and applications and hopefully, we should be able to come back to you with some news on that. As far as automotive fabrics are concerned, BTTL has invested money in a company that manufactures automobile fabrics. That Company is a market leader in India and supplies to most of the car companies. As you may have noticed, the sales of cars over the last year, year and a half has been improving because of which, and our market positioning, we have also

been doing reasonably well. Our volumes are growing, which ultimately will benefit your Company. I hope I have answered all your questions.

Shri Avnish Maurya: One member, Shri Manjeet Singh, who registered himself as a speaker shareholder is not attending this meeting. No questions asked in the chatbox. Thank you, Chairman Sir for answering the queries of shareholders. Now, I request Chairman Sir to put up the resolutions before the members.

Shri Shekhar Agarwal:

Item no. 1: Ordinary business: To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended 31st March 2024 and the Reports of the Board of Directors' and Statutory Auditor thereon. The resolution is placed before this meeting to be passed as an ordinary resolution.

Item no. 2: Ordinary business: To appoint a Director in place of Shri Shantanu Agarwal (DIN: 02314304) who retires by rotation and being eligible, offers himself for re-appointment. The resolution is placed before this meeting to be passed as an ordinary resolution.

Members who have not cast their vote through remote e-voting or e-voting during the proceedings of this AGM are requested to kindly vote on the proposed resolutions. The e-voting module in the AGM is already active.

Members may note that the results will be declared within two working days of the conclusion of this AGM after considering the e-voting done today by members participating in this AGM and also the remote e-voting already done by members. To further inform that the results along with Scrutinizer report shall be submitted to the Stock Exchange, i.e., BSE and will also be placed on the website of the Company and the NSDL.

All the business set out in the notice of this meeting has been concluded and a time period of 15 minutes would be available for voting at the meeting, after which the meeting will stand closed. Stay safe, take good care of your health. Thank you very much and see you next year. Thank you.
