



Reliance Chemotex Industries Limited

Registered Office: Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003

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Transcript of the 46th (Forty Sixth) Annual General Meeting (“Meeting/ AGM”) of Reliance Chemotex Industries Limited held on Wednesday, September 11, 2024 through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), deemed to be conducted at the Registered Office of the Company – i.e. Village Kanpur, Post Box No.73, Udaipur, Rajasthan, 313003, which commenced at 11:00 a.m. (IST) and concluded at 11:45 a.m. (IST)

<p>Utkarsh Gaur, Company Secretary & Compliance Officer</p>	<p>It is now 11 o'clock.</p> <p>54 members have joined the meeting.</p> <p>Good morning and a very warm welcome to all the shareholders at the 46th Annual General Meeting of Reliance Chemotex Industries Ltd. I am Utkarsh Gaur, Company Secretary & Compliance Officer of your company.</p> <p>Hope all of you are doing well.</p> <p>Before we commence, I would like to inform you that this Annual General Meeting is being held through Video Conferencing or Other Audio Visual Means in accordance with the General Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India from time to time, applicable provisions of the Companies Act, 2013 and the SEBI Regulations. The members attending the meeting through video conferencing shall be counted for the purpose of quorum. Since this AGM is being held through video conferencing, physical attendance of members has been dispensed with. Accordingly, the</p>
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	<p>facility for the appointment of proxies by the members is not available for the AGM and hence, the inspection of the Proxy Register is not applicable, Only corporate bodies are allowed to appoint their representatives.</p> <p>During the AGM, Members facing any technical issue are requested to call the helpline number of NSDL as mentioned in the notice of the AGM.</p> <p>Members may note that, since the AGM is held through Video conferencing or Other Audio Visual Means, the resolutions mentioned in the notice convening this AGM have already been put to vote through remote e-voting. As the facility of e-voting is also available at the AGM, there will be no proposing or seconding of the resolutions. Members who have not yet cast their vote by remote e-voting, can exercise their voting rights at the AGM through e-voting by following instructions as mentioned in the notice of the AGM for remote e-voting. The members can vote at the AGM through e-voting from the commencement of this AGM till 15 minutes after the conclusion of this AGM.</p> <p>The statutory registers maintained by the Company as required under the Companies Act, 2013 and Articles of Association of the Company have been made available electronically for inspection by the members during the AGM.</p> <p>I now request our Chairman, Mr. Ram Niwas Sharma, to take over the proceedings of the meeting.</p> <p>Thank you and over to you Chairman Sir.</p>
<p>Mr. Ram Niwas Sharma, Chairman</p>	<p>Thank you so much, Utkarsh.</p>

Dear shareholders, On behalf of the Board of Directors, I Ram Niwas Sharma, Chairman of the Board, Chairman of the Audit Committee & Stakeholders' Relationship Committee and member of the Nomination and Remuneration Committee, welcome you to the 46th Annual General Meeting of Reliance Chemotex Industries Ltd., I appreciate your support for the Company and thank you for taking the time to join us today. I am joining this meeting from Gurugram.

We here at Reliance Chemotex have always appreciated the physical presence of our shareholders, however conducting AGM, through Video Conferencing allows seamless participation by shareholders as well as provides platform for the wider selection of shareholders to join the meeting from the comfort of their own locations. As your company thrives for sustainability and adaptability to shift to video conferencing alliance with these goals.

I have been informed that the requisite quorum for the meeting is present, and accordingly, I hereby call the meeting to order. Participation of members through video conferencing has been reckoned as a quorum in accordance with the circulars mentioned earlier and as per Section 103 of the Companies Act, 2013.

I would like to mention that if during the meeting any technical issue arises, I would request Mr. Nand Gopal Khaitan, Non-Executive Director of the company to please carry forward from there.

Before I begin my address, Let me take this opportunity to introduce all the Board members participating in this meeting through video conferencing.

Mr. Sanjiv Shroff, Managing Director of the Company is joining us from Mumbai;

Mr. Rahul Shroff, Whole-time Director of the Company is joining us from Mumbai;

Mr. Ameya Shroff, Whole-time Director of the company and member of the Stakeholders' Relationship Committee is joining us from Mumbai;

Mr. Nand Gopal Khaitan, Non-Executive Director of the company and member of the Audit Committee is joining us from Kolkata;

Mr. Amit Sushilkumar Saboo, Independent Director of the Company is joining us from Mumbai;

Mrs. Sruthy Sreerag Nath, Independent Director of the Company and Chairperson of the Nomination and Remuneration Committee and member of the Audit Committee and Stakeholders' Relationship Committee is joining us from Mumbai;

Mr. Vijay Kumar Nagar, Non-Executive Director of the Company and member of the Nomination and Remuneration Committee is joining us from Kolkata;

All the Directors of the Company are present at this Meeting.

In addition to our Directors, We also have with us Mr. Chandrasekaran Rajagopalan, Chief Financial Officer of the company, who is joining us from Mumbai.

The Chairperson of the Audit Committee, Nomination and Remuneration Committee and the Stakeholders' Relationship Committee are present at the AGM.

We also have with us Mr. P.K. Jain, Partner of M/s. P K M B & Co., Statutory Auditor of the company, Mr. S.N. Bhandari and Ms. Manisha Maheshwari, Partner of M/s. Bhandari & Associates, Secretarial Auditor

of the company and Mr. Rahul Sharma, Practicing Company Secretary, appointed as a Scrutinizer, attending this meeting through Video Conferencing.

I am satisfied that all the efforts feasible under the circumstances have been made by the Company to enable Members to participate and vote on the items being considered at this meeting.

Before we take up the items as per the Notice, Let me now place our performance for the financial year 2023-24 in the larger context of the environment we are living through.

The global economy continued to face headwinds in the financial year 2023-24 due to geo-political tensions, high inflation and tighter monetary policies by most central banks around the world. Amidst these uncertain times, India was an island of calm. The Indian economy's growth in the previous fiscal got a major leg-up with manufacturing recording a robust performance. The year gone by was a spectacular one for India with GDP growth touching 8.2%. The prognosis of a looming recession setting in during the financial year 2023-24 did not materialize, though uncertainties related to economic recovery and slowing growth rates across the major economies lingered.

India will continue to be one of the fastest growing economies for the next few years and a preferred emerging market for investments. India has gained a strong presence in various global diplomatic and trade forums. It has made progress towards achieving its goal to be a global manufacturing hub. As global supply chains seek to diversify, India stands to gain as a stable destination for manufacturing and business.

To maintain this growth, it is imperative that the core sectors and the small and medium enterprises continue to get capital investments to drive

steady, all-round economic growth. The nation's long-term growth prospects depend on continuing to attract consistent investments.

The Company is best placed to support India in its growth story as it has the right technology, the right people and the right strategy.

I would like to take this opportunity to convey my optimism on the future of India. The country is now driven by aspirations to become a developed nation. This vision includes a technology-driven and knowledge-based economy, with strong public finances and a robust financial sector.

Despite the persistent challenges faced by the textile sector and industry at large, both on the global and the domestic front, your Company's performance for the year under review has been commendable.

Your Company achieved a total income of Rs. 371.45 crores for FY 2024 as compared to Rs. 371.04 crores for FY 2023. Your Company reported a net profit of Rs. 3.20 crores for FY 2024 against a net profit of Rs. 12.42 crores for FY 2023. The Company's exports for FY 2024 stood at Rs. 196.58 crores and the Company's domestic sales grew from Rs. 144.98 crores in FY 2023 to Rs. 159.38 crores in FY 2024. This has been possible due to our ability to quickly adapt to the changing business environment and due to our three-pronged strategy: a continued focus on technical textiles, on further improving our already versatile, value-added product mix and on strategic cost reduction.

We remain positive about the future and our ability to thrive in the challenging yet promising textile industry.

During the year under review, the Company has completed its Expansion Program under the "F", "G" and "2B" Sections by the addition of 13,440 spindles at its Plant located at Village Kanpur, Post Box No. 73, Udaipur, Rajasthan on March 30, 2024. The expansion involved an investment of

around Rs. 131 crore. The company's capacity has increased to 68,256 spindles from 54,816 spindles i.e. an increment of capacity around 25%.

Your Company remains committed to expanding its Solar Power Capacity. We have enhanced our Solar Power Capacity to 5 MW during the financial year 2023-24. This will reduce the Company's carbon footprint, lead to significant cost savings and will, to a certain extent, insulate the Company from fluctuations in Industrial Power Tariff Rates.

As part of our CSR commitments, we have continued directing our support to education and healthcare. We continue to strengthen our efforts on sustainability through various means that will have a meaningful impact on our company, its employees, the environment and other stakeholders. This has been detailed in our Annual Report.

I would like to express my gratitude to all our shareholders for their unstinted support and trust that you have placed in us, which remains our strongest anchor, encouraging us to deliver value and improve our productivity and service propositions at every step.

I conclude my speech and we will now carry on with the business of the meeting. The notice convening the 46th AGM along with the Annual Report for the financial year ended 31st March 2024 consisting of Financial Statements including the Board's Report and Auditor's Report, has been sent only to members whose email IDs are registered with the Company or Registrar and Share Transfer Agents or the Depository Participants through electronic means. The notice has also been hosted on the website of the company. With your permission, I shall take the notice of the AGM as read.

The Company has presented the financial statements of the company for the financial year 2023-24 as per the requirements under the Companies Act, 2013. The Auditor's Report on the financial statements does not

have any qualifications, observations or comments on financial transactions or matters which have had any adverse effect on the functioning of the company and the Secretarial Audit Report for the financial year ended 31st March 2024 issued by M/s. Bhandari & Associates also does not contain any qualifications, observations or adverse remarks, accordingly, the said reports are not required to be read at this meeting. With your permission, I will also take the Auditor's Report as read.

We now take up the resolutions as set forth in the notice.

ORDINARY BUSINESS:

Item No. 1 - Adoption of Audited Financial Statements

To adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2024, together with the Reports of the Board of Directors and the Statutory Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a Final Dividend of Rs. 1.00 /- per Equity Share of face value Rs. 10 each for the Financial Year ended on March 31, 2024.

Item No. 3 - Appointment of a Director retiring by rotation

To appoint a Director in place of Mr. Sanjiv Shroff (DIN: 00296008), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4 - Appointment of a Director retiring by rotation

To appoint a Director in place of Mr. Ameya Shroff (DIN: 05315616), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 5 - Ratification of Remuneration of Cost Auditor

To ratify the remuneration payable to M/s. N N & Associates, Cost Accountants (Firm Registration No.: 002322), the Cost Auditor of the Company for the financial year ending on March 31, 2025.

Item No. 6 - Re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole-time Director designated as Executive Director of the company

To consider the re-appointment of Mr. Rahul Shroff (DIN: 02301693) as Whole-time Director designated as Executive Director of the Company for a period of three (3) years.

Further, I would like to inform you that in compliance with the Companies Act, 2013 and relevant Rules and SEBI Listing Regulations, the Company had provided an opportunity to all its members to exercise their voting rights through electronic voting between Saturday, September 07, 2024 - 9 am to Tuesday, September 10, 2024 - 5 pm. Shareholders who have not cast their votes earlier and are participating in this meeting can cast their votes now through the e-voting module made available by NSDL.

Now I wish to draw the attention of all members participating in the AGM to cast their vote through the E-voting platform provided by NSDL, which will remain open for 15 minutes after the conclusion of the AGM for voting on all the agenda items as set out in the notice of AGM.

The Board has appointed Mr. Rahul Sharma, Practicing Company Secretary as a Scrutinizer for conducting the e-voting process in a fair and transparent manner and to scrutinize the votes casted and to submit a consolidated report of voting in compliance with the provisions of the Companies Act, 2013, and the SEBI Listing Regulations, 2015.

I now authorise Company Secretary to declare the results of the remote e-voting as well as the electronic voting done at the AGM today, along

	<p>with the Scrutinizer's Report. The results will be announced within 2 working days from the conclusion of the meeting and shall be updated on the website of the company as well as the e-voting website of NSDL along with the Scrutinizer's Report. The same would also be recorded as part of the proceedings of the AGM.</p> <p>So, all the items of business as per the Notice of the 46th Annual General Meeting have been taken up. I now declare the proceedings of this annual general meeting of the Company as completed.</p> <p>Thank you.</p>
<p>Utkarsh Gaur, Company Secretary & Compliance Officer</p>	<p>Thank you, Sir,</p> <p>Since there is no request received from any speaker shareholder, I now request Mr. Nand Gopal Khaitan, Non-Executive Director of the Company to propose the vote of thanks.</p>
<p>Mr. Nand Gopal Khaitan, Non-Executive Director</p>	<p>Thank you, Utkarsh</p> <p>Good Morning everyone. It is my pleasure to virtually meet all of you today for the 46th Annual General Meeting of your Company.</p> <p>On behalf of the Board of Directors, I wish to thank every member of the Reliance family for their hard work, dedication and commitment, to whom the credit for the Company's achievements goes.</p> <p>Your Company looks upon its suppliers, distributors, business partners and others associated with it in its progress and the Board places on record its appreciation for the support and co-operation from all of them. On behalf of the Board, I also take this opportunity to express their deep sense of gratitude to the Banks, Government and Regulatory authorities, both at the Central and the State levels for their continued guidance and support.</p>

I also thank all the Directors for joining the meeting.

And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

The meeting is now concluded.

Stay safe and healthy. We look forward to seeing you at the next Annual General Meeting. Thank you.