

**46TH ANNUAL GENERAL MEETING
OF THE MEMBERS OF
GARWARE TECHNICAL FIBRES LIMITED**

THROUGH VIDEO CONFERENCING (“VC”) AT 10:30 A.M. (IST)

Transcription of the proceedings of the AGM held through VC

Chairman	<p>Good morning Ladies & Gentlemen, I welcome you all, to the 46th Annual General Meeting of the Company. It is 10.30 a.m.</p> <p>The Company Secretary has confirmed me that the required quorum is present, I, therefore, call the Meeting to order.</p> <p>I would like to let you know that the proceedings of this meeting are being recorded.</p> <p>All members of the Board are present in the Meeting through Video Conferencing.</p> <p>I now introduce members of the Board present in the Meeting:</p> <p>Mrs. Mayuri Garware is a Director and joining this meeting from Pune.</p> <p>Mr. R. M. Telang is a Director and Chairman of Stakeholder Relationships Committee and Corporate Social Responsibility Committee and joining this meeting from Pune.</p> <p>Mr. S. P. Kulkarni is a Director and Chairman of Audit Committee and Nomination and Remuneration Committee and joining this meeting from Pune.</p> <p>Mr. S. S. Rajpathak is a Director and joining this meeting from Pune and</p> <p>Ms. Mallika Sagar is a Director and joining this meeting from Mumbai.</p> <p>Mr. Shashank Gupta, Chief Financial Officer, Mr. Sunil Agarwal, Company Secretary, Mr. Dhwanee Buch, VP Accounts and Mr. Abhay Mehta, Statutory Auditors are also present in the Meeting through Video Conferencing.</p> <p>The Ministry of Corporate Affairs has, vide its General Circular No. 10/2022 dated 28th December, 2022 read with General Circular Nos. 20/2020 dated 5th May, 2020, 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020 (hereinafter collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting through Video Conferencing or Other Audio Visual Means, without the physical presence of the Members at a common venue.</p> <p>Accordingly, in compliance with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and read with the said MCA Circulars and SEBI Circular dated 5th January, 2023, this 46th Annual General Meeting is being held through video conferencing.</p> <p style="text-align: right;">1</p>
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	<p>In accordance with the Secretarial Standard - 2 on General Meeting issued by the Institute of Company Secretaries of India read with Guidance / Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed Venue of the AGM.</p> <p>The joining to this meeting is opened for 15 minutes before and after the schedule time of the commencement of the meeting, which is 10:30 a.m.</p> <p>As mentioned in the AGM Notice, the facility of participation at the AGM through Video Conferencing or other audio visual means has been made available for 1000 members on first come first serve basis, except for large shareholders (Shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key-managerial personnel(s), Chairperson of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee as well as the Auditors who are allowed to attend the AGM without any restrictions on account of first come first serve basis.</p>
Chairman	<p>Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through video conferencing, whereby physical attendance of Members has been dispensed with and in line with the aforesaid MCA Circulars and SEBI Circulars, the facility to appoint a proxy to attend and cast vote for the Member is not made available for this AGM.</p> <p>The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or arrangements in which Directors are interested are available for inspection of the Members on the Company's website.</p>
Chairman	<p>Dear Shareholders,</p> <p>I am pleased to present the annual report of your Company for the financial year (FY) 2022-23.</p> <p>During the year, the global economy witnessed a widespread slowdown along with high inflation. The war in eastern Europe and increasing interest rates dampened the outlook for people and businesses at large. Steep increases in food prices hit vulnerable populations across the globe. Recessionary trends began to emerge in many economies. Nevertheless, the Indian economy continued to show robust growth buoyed by high investment activity and private consumption. The favorable environment supported top-line growth of your Company in domestic markets during the first quarter of the year. However, a steep rise in raw material costs coupled with a continuing shortage in containers affected our margins in Q1, and led to an increase in inventories. All these setbacks to revenue growth were substantially overcome from the second quarter onward. While recessionary pressures in Europe and USA affected the demand for some of our products, our overall performance by the end of the year was satisfactory despite the external challenges.</p> <p>Among the highlights of our performance were a massive penetration into the aquaculture market in South America and spectacular growth in our geosynthetics business.</p>

A large part of the breakthrough in South America was achieved through Sapphire X18, your Company's ingenious, tailor-made solution to the problem of sea lions attacking salmon fish-farmers' nets. In comparison to traditional solutions, X18 stands out for its efficiency and ease of use, giving benefits in terms of operational ease, cost savings, and safety.

Your Company's geosynthetics business recorded increased momentum of growth, higher margins and a higher volume of large-value orders, all leading to a very impressive return on capital employed.

Your Company continued to invest heavily in new product development, and several of its recent innovations garnered high interest. Our manufacturing plants responded well to the challenges of meeting customer demand, and notched significant improvements in productivity and cost savings. Our inventory management was excellent, and we returned to our track record of healthy cash generation.

I am also happy to inform you that for the sixth year in a row your Company was ranked among India's top manufacturing companies as a 'Great Place to Work'. Our senior management team was strengthened with the infusion of some highly experienced professionals, and we also expanded our overseas teams.

Your Company registered total revenue of Rs. 1305.55 crores for the year ended 31st March, 2023, an increase of 9.77% over the previous year. Consolidated operating earnings before interest, taxes, depreciation and amortization increased by 3% to touch Rs. 230 crores. Consolidated profit before tax was Rs. 223.21 crores, an increase of 3.13% over the previous year. The consolidated return on invested capital was 47.2%. Your Board of Directors has declared an equity dividend of 35% amounting to Rs. 3.50 per share.

Your Company remains a financially robust organization with strong cash flows, a diversified portfolio of value-added products, proven expertise in customer-focused innovation, and a high weightage in the food sector, which has a relatively inelastic demand profile. These attributes give your Company the strength and resilience to stay on the path of continuous growth and profitability even in adverse conditions.

Your Company is also committed to a sustainable environment, and demonstrates this internally and externally, through its manufacturing operations and product offerings.

Looking at the future, we have firmed up several promising plans. While farmed salmon is a top-selling species globally, and meeting the needs of the salmon aquaculture industry will continue to be one of our priorities, we will also be reaching out intensively to potential customers who farm other fish species. In FY 22-23 itself we gained such customers in several countries of Asia and America, as well as a breakthrough order from Africa. Our portfolio for the sports segment, which witnessed sluggish growth in the year under review, is being expanded. International sales, which constitute the major part of our total revenue, will be bolstered with aggressive forays in south Europe and other geographies.

I look forward to your support in our exciting journey ahead.

Chairman	<p>I have to point out that as can be noticed from Auditors report there are no qualifications, observations or comments on financial transactions or other matters which have any material adverse effect on the functioning of the Company mentioned in the Auditors' Report. As such, as per the provisions of Section 145 of the Companies Act, 2013, the Auditors Report will not be read out.</p> <p>Further, as can be noticed from the Secretarial Auditors report, there are no qualifications, observations or comments or other remarks in the Secretarial Auditors report either. As such, the Secretarial Auditors Report will not be read out.</p>
Chairman	<p>With your permission, I take the Notice convening this AGM, which includes all the resolutions as set out in Item Number 1 to 4 of the Notice as read.</p>
Chairman	<p>The members are aware that the Company had provided remote e-voting facility to the members to cast their votes electronically during Friday, 15th September, 2023 at 9:00 a.m. (IST) and ends on Sunday, 17th September, 2023, at 5:00 p.m. (IST), in respect of all businesses mentioned in the notice as per provisions of Companies Act, 2013 and the Rules made thereunder.</p> <p>However, if there are members who are present at the AGM through VC / OAVM but have not cast their votes by availing the remote e-Voting facility, can vote by use of e-Voting system provided by NSDL in the AGM.</p>
	<p>The e-Voting system shall be disabled by NSDL after 15 minutes of the conclusion of Meeting.</p> <p>This is to inform that Mr. Sridhar Mudaliar, Practicing Company Secretary who has been appointed as scrutinizer for remote e-voting, will also be the scrutinizer in respect of e-voting during the meeting, who will scrutinise the voting process in a fair and transparent manner. He is attending this meeting through video conferencing.</p>
Chairman	<p>Before you commence e-voting, I would like to mention that Members were requested to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM to reach the Company's e-mail on or before Monday, 11th September, 2023.</p> <p>Further, Members who would like to express their views or ask questions as a Speaker during the AGM were also requested to pre-register themselves by sending a request from their registered e-mail address between Monday, 11th September, 2022 and Thursday, 14th September, 2023.</p> <p>The Company has received a request from Mr. Yusuf Yunus Rangwala to register himself as Speaker.</p> <p>To start speaking, the shareholder, who had registered himself as Speaker as aforesaid is requested to click on the 'Video On' button at the centre of your screen after his name is announced to ask the questions and after you have been placed on "unmute" by the host. If the Speaker is not able to join through video for any reason, the Speaker can participate through audio mode.</p> <p>We will listen to all the questions before we answer as many as we can.</p> <p>I now request Mr. Yusuf Yunus Rangwala to ask the questions on the Financial Statements or any other business of the Agenda.</p>

Mr. Yusuf Yunus Rangwala	<p>Good morning to the dynamic chairman! I will directly come to the point. I am very thankful to Sunil sir for sending me the balance sheet. I also received a call before the meeting to confirm if I was attending the meeting. This tells how much you care for the shareholders.</p> <p>The point is, in the report, all the products are printed on page no. 1, 2 and 3.</p> <p>Q.1] In the shipping sector, what is the current order position for the ropes? How many dealers does the company have in India, how many in Mumbai and how many in Pune?</p> <p>Q.2] You have declared the dividend of Rs. 3.50 on a share of Rs. 10. Today the market value of a share is Rs. 3000. Having a good profit Rs. 15,907 lakhs. NSDL provide good services. I am very happy and very proud to be the shareholder. On page no. 12, I can see the Garware Technical has won many awards. I am very happy to see it. As the CSR Activity, we are planning some plants also. This is given on page 12 and people are happy to read about it. Nothing more to add.</p> <p>I have never visited to Pune factory. My humble request to arrange for a factory visit to Pune. You can arrange a small bus or car from Mumbai. Also I want to meet you in person. I have only seen your photo, and you live in our hearts.</p> <p>Does the company Garware Nylon belong to the same group? Asking only for my information.</p> <p>Tomorrow is the auspicious day of Ganesh Chaturthi. May Lord Ganesh bless the company forever.</p> <p>Sir, do we have the Ganesh festival in the company? If yes, please take His blessings sir.</p> <p>Q.3] When have you given the last bonus, sir? It's been quite long. This is the 46th year. We will complete 50 years in 4 years time. What are the plans to celebrate?</p> <p>Are you declaring bonus this year or the next year?</p> <p>I have asked for more dividend or bonus shared. Please approve one of the two.</p> <p>This is my humble request.</p> <p>If you send Diwali sweets, then you are remembered in festive times.</p> <p>Wishing you all the best for this festive season.</p>
Chairman	<p>Thank you Mr. Rangwala! We are very lucky that we have people like our team here who communicates with you closely and people like you who are such positive and helpful shareholders. Thank you so much!</p> <p>I will just try to answer a couple of questions here.</p> <p>You mentioned factory visit – Yes, definitely we will arrange. I will ask Sunil and our team to reach out to you, and arrange for the visit to meet with us and to visit our plant.</p>

	<p>Regarding bonus you are asking, the last one was given in 1993. Our objective is to always increase the shareholder value. And we have done quite a lot of study on this issue of bonus and split, including the investment bankers outside. But the statistics don't show that the bonus or split was actually adding significantly to the market capitalization of the company. And therefore at the moment we have not decided to do that. We will continue to examine this always and every year we look at it again and again. But our job is basically to increase your wealth and all the shareholders' wealth and we feel that it's best done right now by focusing on work, delivering more value and allowing the share prices itself to go up.</p> <p>You asked the question about Garware Nylons. That is not a part of our group. After my grandfather passed away, the companies have been split up differently, so that we do not have any cross-holding or ownership. It's a different management group altogether.</p> <p>I think, Diwali gifts is a good idea, Sunil, we have to look into that, probably we can work it out. I think I have answered most of your questions here.</p> <p>In terms of the number of dealers, I am not sure of the exact number, I will have to come back to you, but we have significant number of dealers in different businesses throughout India. Both in Mumbai, Pune and rest of cities around the country. I am not sure of the exact specific number.</p> <p>You also asked about the dividend. As I mentioned, our job, finally is to enhance shareholder wealth. So dividend is one part. We do continuously look at giving cash back to shareholders and we do that in the most efficient way that is possible. So, we look at both dividend and buy back opportunities. You know in 2023, we did another buy back as well as dividend. So we look at it together and see what is the maximum efficient on money or cash to the shareholders.</p> <p>Thank you for the questions. I hope I have been able to answer them. I am continuing on now.</p>
Chairman	The Members are requested to cast their votes using the e-voting system provided by NSDL. The members, those who have cast their votes through remote e-voting are requested not to cast votes through e-voting system again.
Chairman	A consolidated result along with scrutinizer's report of the total votes cast in favour or against, if any, will be placed on the Company's website and sent to the stock exchanges within 2 working days of the conclusion of this Meeting.
Chairman	<p>I thank you all for participating in the meeting through video conferencing. Stay safe and take good care of your health.</p> <p>Thank You.</p>
Company Secretary	<p>Thank you Chairman Sir, I now formally propose a vote of thanks to the Chair and hereby declare the proceeding of the meeting as closed. Please note that NSDL platform shall remain open for the next 15 minutes to enable those members to cast their votes, who have not casted earlier. After that NSDL platform would be disabled. So I request the members to cast their votes.</p> <p>Thank You. Meeting is closed now.</p>
Chairman	Thank You.