

Transcript of the 18th Annual General Meeting of Bhilwara Technical Textiles Limited

Company Secretary: Good afternoon, I Avnish Maurya, Company Secretary and Chief Financial Officer of Bhilwara Technical Textiles Limited, participating from Noida, welcome you all in the 18th Annual General Meeting of the Company. Pursuant to MCA and SEBI circulars, 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, Mordī, Banswara, Rajasthan.

Shri Shekhar Agarwal, Chairman and Managing Director and CEO will chair the meeting. For Non-Executive Directors, Shri Shantanu Agarwal and for Independent Directors, Shri Rakesh Kumar Ojha, Smt. Archana Capoor, Shri Manish Gupta are present in 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 members which was started from Monday, 15th September, 2025 at 9:00 am and ended on Wednesday, 17th September, 2025, at 5.00 pm. The Company is also providing e-voting facility during the AGM to enable our 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 18th 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 on or before 20th September, 2025. The results along with the scrutinizer report shall also be submitted to the Stock Exchange BSE and will also be uploaded on the website of the Company. Notice of 18th Annual General Meeting and Annual Report for the Financial Year 2024-25 were mailed electronically to the shareholders on 26th August, 2025 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, 57 members have joined, hence the requisite quorum is present. Now, I request Chairman Sir to please welcome and address the members present at the meeting. Over to you, Chairman Sir.

Chairman: 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 18th Annual General Meeting of your Company. I would like to mention that in compliance of various circulars issued by the Ministry of Corporate Affairs and SEBI, this AGM today is being convened through video conferencing and other audio-visual means.

Your Company has taken all feasible steps to ensure that the shareholders are provided an opportunity to participate in this AGM. The requisite quorum is present and therefore, I call this meeting to order. I welcome my other colleagues on the Board of your Company to this 18th Annual General Meeting.

Let me ask the Directors to introduce themselves.

Shri Shantanu Agarwal.

Shri Shantanu Agarwal: Good afternoon, everyone. I am Shantanu Agarwal, Non-Executive Director of the Company. I am member of the Audit Committee and I am joining this meeting from Noida.

Chairman: Thank you, Shantanu. Shri Riju Jhunjhunwala could not attend the meeting today because of his preoccupation. I now request Shri Rakesh Kumar Ojha.

Shri Rakesh Kumar Ojha: Good afternoon, everyone. I am Rakesh Kumar Ojha, an Independent Director of the Company. I am the Chairman of the Audit Committee, Stakeholders Relationship Committee and the Nomination and Remuneration Committee. I am joining this AGM from Mumbai, India.

Chairman: Thank you, Rakesh ji. Smt. Archana Capoor.

Smt. Archana Capoor: Good afternoon, everybody and thank you, Shekhar ji. Myself is Archana Capoor, an Independent Director of your Company. I am a member of the Audit Committee. I am also a member of the Stakeholders Relationship Committee. I am also a member of the Nomination and Remuneration Committee. I am joining this AGM from New Delhi. Thank you.

Chairman: Thank you, Archana ji. Shri Manish Gupta.

Shri Manish Gupta: Thank you. Good afternoon, everybody. I am Manish Gupta and I am an Independent Director of your Company and I am joining this meeting from my office in Noida.

Chairman: Thank you, Manish ji. We also have with us the representative from our statutory auditor, Shri Mukesh Goyal, Partner of M/s Doogar & Associates Chartered Accountants. Mukesh ji, kindly introduce yourself. Mukesh ji, you are on mute. Mukesh ji, please unmute yourself.

Shri Mukesh Goyal: Good afternoon. I am Mukesh Goyal, Audit Partner of M/s Doogar & Associates, Chartered Accountants, New Delhi. I am attending this meeting from my office in New Delhi. Thank you.

Chairman: We also have with us our Secretarial Auditor and Scrutinizer of this meeting, Smt. Manisha Gupta, Practicing Company Secretary. Kindly introduce yourself, Manisha ji.

Smt. Manisha Gupta : Good afternoon. I am Manisha Gupta, Practicing Company Secretary. I am Secretarial Auditor of the Company. Also acting as a scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner for this AGM. I am attending this meeting from my office in New Delhi. Thank you.

Chairman: 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 to you.

Annual report for the financial year ended 31st March 2025, containing the standalone and consolidated financial statements have already been circulated to the members of the Company electronically. With your permission, I take that you have gone through the same. The auditor's reports on the standalone and consolidated financial statements and the secretarial audit report of the Company for the financial year ended 31st March 2025, do not contain any qualification, reservation, adverse remark or disclaimer. Accordingly, the reports are not required to be read out as provided in the Companies Act 2013. With your permission, I would now like to begin my formal address to you.

Dear shareholders, a very good afternoon to all of you. It gives me immense pleasure to welcome you to the 18th Annual General Meeting of your Company. With a legacy spanning over many years in yarn trading, our journey has been marked by challenges and opportunities, but our ability to adapt, evolve and stay true to our core values remains. This resilience has been the foundation of our progress.

Economic Scenario : The global economy continues to face a mixed environment. On the one hand, growth in major markets has been steadier than expected, but at the same time, uncertainties remain higher. Shifts in monetary policies, evolving trade barriers and tariff realignments across major markets are influencing global investment and supply chains. In addition, geopolitical tensions, including the ongoing Russia-Ukraine conflict and unrest in parts of the Middle East, have disrupted energy markets and led to higher input costs and supply chain challenges. These factors are shaping a business environment where adaptability and resilience are critical.

Despite these challenges, the Indian economy continues to strengthen, supported by steady domestic demand, a robust services sector and renewed industrial momentum. The expanding endorsements of India's free trade agreements are unlocking new pathways for global markets access. The India-UK FTA slated for operationalization in 2026, is expected to create a more equitable, competitive environment and significantly enhance our export potential to the UK. Similarly, the India-European free trade agreement expected to be finalized by the end of 2025 will broaden India's access to advanced economies.

Industry Scenario: The global textile industry faced a difficult year as manufacturers operated at reduced capacity due to subdued demand. Geopolitical risks disrupted supply chains, raised energy and raw material costs and weakened consumer confidence, particularly in major markets. Tariff threats added to the pressures, prompting global buyers to reassess sourcing strategies. Despite these headwinds, there is cautious optimism supported by expectations of a gradual recovery in consumer demand, easing cost pressures and the potential resolution of some geopolitical uncertainties.

In India, the industry experienced a mixed performance. Elevated cotton prices and softer global demand weighed on yarn exports, while segments such as ready-made garments showed some increase in exports. Political instability in Bangladesh further disrupted yarn exports.

Unlike conventional textiles, technical textiles prioritize specific performance attributes for applications in sectors like construction, agriculture, aerospace, automotive, healthcare, protective gear and home care. To promote technical textiles, Indian government's national

technical textiles mission with a budget of ₹ 1,480 crores, aims to achieve a US\$10 billion in technical textile exports by 2026, making India a global leader in this segment.

Company's Business Performance during FY 2025: Despite unprecedented challenges, your company recorded a reasonable performance. For the year 2025, the Company recorded a revenue from operations of ₹ 8.19 crore as compared to ₹ 14.37 crore in the previous year. The net profit after tax was ₹ 87.22 lakh as compared to ₹ 132.10 lakh in the previous year. However, consolidated net profit for financial year 2025 was ₹ 769.43 lakh as compared to ₹ 1299.45 lakh in FY 2024.

Operational Performance 30th June, 2025: I would like to draw your attention towards the results of the 1st quarter of the current financial year. During the quarter, your Company recorded a turnover of ₹ 532 lakh as compared to ₹ 128 lakh in the corresponding quarter of the previous year. A net profit of ₹ 27 lakh was reported in the first quarter of the current year against a net profit of ₹ 1.06 crore in the corresponding quarter last year.

The textile industry continues to grapple with volatile cotton prices, tariff uncertainties, and weak global demand. These pressures have kept yarn margins under tremendous stress. Our extensive experience across the textile value chain has earned us goodwill amongst our clientele. Demand for your yarn is expected to improve in the foreseeable future. Your Company's Directors are exploiting opportunities to accelerate business volumes through exports and domestic sales while identifying new avenues for growth. With ample financial resources, your Company is well positioned to support its existing business operations and confidently pursue strategic growth initiatives. This blend of financial strength, market agility, and long-term vision reinforces BTTL's position as a trusted and adaptable player in a rapidly evolving global sector.

I also take this opportunity to express my sincere gratitude towards my colleagues on the Board for their valuable guidance and advice for 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 shareholders for their cooperation and continued trust, which is the real source of our success.

I take pride in the unswerving contribution and commitment of our people for their relentless efforts. Once again, I would like to express our earnest gratitude to each one of you, our shareholders, for your continued support. Best wishes to all of you. Thank you. Keep healthy and stay safe. With this, I hand over to the Company Secretary.

Shri Avnish Maurya: Thank you, sir. We have received requests from four members of the Company for registering themselves as a speaker shareholder in the AGM today. We request the speaker shareholders to limit the speech to three to five minutes for the benefit of other shareholders. Chairman sir, would be responding to such queries either at the AGM or subsequently through email. Now, I would like to highlight to the speaker that when I take your name, your mic will be opened by the moderator of this meeting. 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.

Chairman: You are on mute, Mr. Reddeppa. Kindly unmute yourself.

Gundluru Reddeppa: Awaaz aa rhi hai sir ?

Chairman: Yes, please go ahead.

Gundluru Reddeppa: Thank you, sir. Respected Chairman, Board of Directors, Managing Director, and my fellow shareholders, Company Secretary, scrutinized auditors, my shareholders, good afternoon, namaste.

Myself, Reddappa Gundluru, attending this AGM from Hyderabad. As a shareholder, I'm very happy, proud about the Company's performance. Sir ji aapne itna accha speech diya hai. Your speech is very wonderful. Thank you so much for the annual report sending by the company secretary. I received the annual report well in advance. Thank you, sir. Sir, as a shareholder, I'm very happy about the performance of 2025 because the transparency of governance is there, especially high standards is there. Governance is good. Annual report is informative. Thank you for consistent financial performance. Thank you. Sir, I have a couple of questions, sir, I would like to ask you. Sir, business outlook ke baare mai bataiye. Business growth plan for 2-3 years k baare mai bataiye. Any new products lines, technical textile applications being koi develop kar rhe hain kya uske baare mai bataiye sir. Second question about the diversification and also expansion, sir.

Sir, my Company is there, I mean, looking to expand into the high growth areas like medical textile, geotextile mai aur automatic textiles mai ja rha hai kya diversifications k baare mai bataiyega. Sir, third question about the financials, sir. What steps are being taken to improve the revenue and profitability. How is my Company managing to raw material cost is nowadays the volatility, pressure is high, sir. So aap kaisa isko sambhaal rhe hain, I would like to know.

Sir, fourth question about the market exports, sir. My Company, BTTL, is focusing more on domestic demand and exports. What is the strategy to tap into emerging markets, sir. Sir, the final question about the technology and innovation, sir.

How much is being invested into R&D and innovation, Sir. So, smart fabric or sustainable textile technology k baare mai, or exploring karne k liye aur iske baare mai bataiye sir, we just supporting all the resolutions. No questions on the resolution or no questions on the financials, Sir. Company secretary is always reachable. Annual report bhi deta hai aur link bhi bhijwata hai aur phone bhi karta hai, Lekin Diwali ki greetings mai kuch nhi karte sir. Sir, thank you. We have faith on the Board, trust on the Board. Go ahead, take appropriate decision on Company growth and hopefully coming financially, under your leadership, we'll achieve many more higher revenue growth, win awards, milestones.

That's the reason I wish all the best. I pray God to give them more wisdom, more strength, more power, more health, entire board member families and all hardworking employees, all the key heads and KMPs and my Company Secretary team. And a happy shareholder and proud shareholder from Hyderabad. Thank you, sir. And be healthy, stay safe, sir.

Chairman: Thank you, Mr. Reddeppa. I'll try to answer as many questions as I can. Business outlook, as I mentioned in my presentation to you, at the present moment, because of uncertainties in the world market, there has been a slight lull in the export market. And consequently in the domestic market, because of the fact that 40% of India's garment and home textile export is to the US. And because of the tariffs since April, there has been a slight issue with demand. And also the domestic customers are a little wary about booking orders in advance. And their orders from their customers overseas have also been affected to some extent. And therefore, things are a little tough to predict at this point in time. But indications are that there is a negotiation going on between our two governments and things should improve. As far as the European market is concerned, the European market is picking up and hopefully our business in that segment will improve.

We not only export to these two markets, but we have diversified our exports to other markets as well, like Turkey, Tunisia, UAE, African continent, Egypt, and many other countries. Only to diversify our customer base so that if there is an effect in one particular market, we can always have the opportunity to export in other markets. And as you know, the domestic market is strong and it will continue to remain strong.

And hopefully we should be able to take advantage of that. And most of the yarn that we sell is all high value added yarn. We do not deal with the basic cotton yarn. These are special fibers, blended yarns for special application. Some of them are even for technical textiles and for home furnishings, which we export to countries like Russia. So we are constantly looking at applications for technical textiles as well.

Diversification, we are looking at possibilities of going into some niche products and niche technologies. And there have been ongoing discussions in this with international producers of specific products and new technologies. So at this point in time, nothing is concrete.

Whenever we have something concrete to tell you, we will come back to you. As I mentioned, because of lower demand and less demand in the domestic market, we had to take a dip in our revenue as well as profit. But in the current year, I'm hopeful that things should be much better.

As far as our sustainability is concerned, we do sell a lot of sustainable products as well. For example, organic cotton, recycled polyester, and a lot of other blended yarn. So that is of paramount importance to us. And we continue to look at it from time to time. I think I have answered all your questions. Thank you.

Shri Avnish Maurya: I now invite Shri Samarth Singh, who has registered himself as a speaker, to express his views and ask questions.

Shri Samarth Singh: Good afternoon. Am I audible.

Chairman: Yes, Samarth ji.

Shri Samarth Singh: Thank you for the opportunity. I'm a new shareholder. I was just looking at our numbers for the past few years. And from what I can see, a standalone business is barely profitable the last few, I mean, last five, six years. And majority of our

profits come from my investment in BMD Private Limited. And even from the balance sheet, besides a few other investments, our largest asset seems to be an investment in BMD. So one, if you could just address that, is my understanding correct. And two, could you tell us what BMD Private Limited does. Why have profits come down over the last year and even in quarter one. And is there any plan for shareholders of our Company to benefit from the 49% shareholding that we have in BMD. Maybe in terms of a merger or something of that sort.

Chairman: Shantanu, would you like to answer that?

Shri Shantanu Agarwal: Sure. Samarth, your observation is correct. Our standalone operations are smaller relatively in size compared to our holdings in BMD.

BMD is our technical textiles company, which produces upholstery fabrics for the automotive sector in India. We supply these upholstery fabrics to most of the OEMs in our country, like Maruti Suzuki, Hyundai, Toyota, so on and so forth. And you pointed to revenues and profitability being weak over the past few years. The automotive sector wasn't performing very well until FY23. Since then, the business has turned around and is currently growing at a pace of about 15% per year. So we will continue to benefit as being 49% shareholders. We don't currently have any plans of restructuring as far as the capital structure itself is concerned.

Shri Avnish Maurya: I now invite Shri Abhishek J, who has registered himself as a speaker, to express his views and ask questions. Kindly unmute yourself.

Chairman: Yeah, go ahead. Abhishek Ji.

Shri Abhishek J: Can you hear me? I'm audible, sir. So first of all, on the eve of annual general body meeting, I trust all is well with you and your family. In this challenging situation, our Company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability, and becoming one of the strongest brands in the respective segment. Sir, first of all, I would like to know what are the steps being taken by the management to improve the EPS that is only 0.01 PE ratio and return on equity, which is only 0.32. So what proactive steps is the management taking to improve the EPS ratio, PE ratio and Return on Equity. And when was the last dividend being declared by the management, sir. Because for the past more than a decade, the shareholders have not received any dividend from the management.

So when will the Company be in a better position to reward the minority shareholders with a bigger dividend? And I would request you to kindly arrange for a planned visit for the investor fraternities as and when it is feasible. And kindly take part in on-call quarterly presentations and meeting with global investors on a regular basis. And, sir, in the NSDL/CDSL platform, where we exercise re-voting and where we get access to the annual general body meeting as well, you can update a link for the inspection of documents like register of members, register of KMP, and register of contracts, if any. If so, the shareholders can very well inspect these documents online itself. And they may not reach out to you at a later stage seeking for all these documents. In the NSDL/CDSL platform, sir, where we are joining, you can update the shareholders who are not registered with you but still join through the Webex platform, NSDL/CDSL. There should be a raise hand option, chat

option and the Q&A option to be enabled, sir, but all these options, if they are enabled, the shareholders can reach out to you and seek clarifications. 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 opportunities. I hope to see you in the hybrid AGM next year. Thank you very much, sir.

Chairman: Thank you, Abhishek ji. I think I have answered most of your questions earlier, but I will again repeat. The profitability of the company has reduced lately because of two reasons. One, as Shantanu explained to the previous speaker, that the profitability of the automotive sector had not done too well since till 2023, but now things are improving. So we will definitely see better profitability going forward. And the same applies to the yarn segment as well. As I explained in my speech, that the textile market, overseas market and consequently the domestic market has been slightly sluggish in the last couple of years. But things seem to be looking up and I'm hopeful that we will see better performance in the coming quarters.

As far as the question for dividend is concerned, we feel that it is important that we conserve cash in the company, looking at the prospect of a future project for technical textiles. And such projects, as you probably know, are highly capital intensive. So it would be prudent that we maintain our cash flows more prudently and instead we will be in a better position to increase shareholder value in the company. We don't have a plant. We are purely a trading company and have good investments. So I don't think there is a possibility of any plant visit. Thank you.

Shri Avnish Maurya: Sir, we have received queries in chat box from Shri Manoj J Bagadia, he has asked about outlook for technical textiles for next few years and growth plans for the company. Question number two, can you please talk about drop in share from the associate also about its business operations and product file also plans to expand product range. Question number three, government focus on technical textile exports, our plans and strategy and products to grow in this business. Question number four, any plans to merge BMD Private Limited for long term value creation.

Chairman: Thank you, Manoj ji, for your questions.

The outlook for technical textiles and textiles as such seems to be very bright. And I'm very confident that once the current uncertainty over tariffs and geopolitical issues prevailing in the world are resolved and hopefully they will be resolved soon, we will see an upswing in the growth of textiles and technical textiles. As Shantanu mentioned earlier, the drop in share of the associate company is mainly because of the automotive business not doing as well as it was earlier.

But now it has picked up fairly well. And going forward, you will see that the share of the associate company will start looking up. The government of India is giving a lot of emphasis on technical textiles. And that is why they've created a mission on technical textiles and allotted about Rs. 1250 crores for this mission. And they are also targeting a very high export from India on technical textiles. So we should be able to take advantage of that. At this point in time, I don't think there is any plan to merge BMD with BTTL. I think BMD as an independent company has its own plans and is doing well. It's diversifying also,

the benefits of which will definitely be gained in your company and you will see that happening going forward. Thank you.

Shri Avnish Maurya: Thank you, sir. There are no further queries from the members. Now I request Chairman sir to please place the resolution before the shareholders.

Chairman: Item number one, 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 2025 and the reports of the board of directors and statutory auditor thereof. The resolution is placed before the meeting to be passed as an ordinary resolution.

Since I'm interested in the next item, I request Shri Rakesh Kumar Ojha, Independent Director of the Company to chair the meeting for item number two. Rakesh ji.

Shri Rakesh Kumar Ojha: Thank you, Shekhar ji.

I take up item number two, which is ordinary business. This is to appoint a director in place of Shri Shekhar Agarwal, who retires by rotation and being eligible offers himself for reappointment. The resolution is placed before the meeting to be passed as an ordinary resolution.

Thank you. Now I request Shri Shekhar Agarwal to resume the chair.

Chairman: Thank you, Rakesh ji. Item number three, ordinary resolution to appoint M/s. Manisha Gupta and associates Company Secretaries in practice as Secretarial Auditor for the term of five years. The resolution is placed before the meeting to be passed as ordinary resolution. Members who have not cast their vote through remote e-voting or e-voting during the proceedings of 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 on or before 20th September 2025 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 the scrutinizer report shall also be submitted to the stock exchanges that is Bombay Stock Exchange and will also be placed on the website of the Company and 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 close. Stay safe, take good care of your health. Thank you very much and see you next year.
