



H.P. Cotton Textile Mills Limited
43rd Annual General Meeting

**TRANSCRIPT OF 43RD ANNUAL GENERAL MEETING OF
H.P. COTTON TEXTILE MILLS LIMITED
HELD ON
SEPTEMBER 23, 2024**

- **Mr. Kailash Kumar Agarwal – Chairman and Managing Director, H.P. Cotton Textile Mills Limited**

Ladies and Gentlemen, I Kailash Kumar Agarwal Chairman of H.P. Cotton Textile Mills Limited warmly welcome all of you at the 43rd Annual General Meeting of the Company.

The meeting is being conducted through video conferencing facility in accordance with the relevant circulars as mentioned in the notice of AGM issued by the ministry of corporate affairs and the Securities and Exchange Board of India.

Since the necessary quorum is present. I now call the meeting to order.

Let me introduce other board members and KMP's who have joined this meeting through video conferencing:

Mr. Raghav Kumar Agarwal, Executive Director, CEO & CFO

Mr. Parshotam Dass Agarwal, Independent Director and also the Chairperson of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee

Mr. Vikram Sumatilal Sheth, Independent Director

Mr. Siddharth Agrawal, Independent Director

Mrs. Ritu Bansal, Non-Executive Director

Mr. Vikram Jhunjhunwala, Independent Director

Mr. Shubham Jain, Company Secretary

The scrutinizer, representative of statutory auditors and secretarial auditors are also participating in the meeting through video conferencing.

I request Mr. Shubham Jain, Company Secretary, to read the arrangements made for the members at the 43rd AGM.

- **Mr. Shubham Jain – Company Secretary, H.P. Cotton Textile Mills Limited**

Thank You

Dear Shareholders, Good Afternoon and a warm welcome at the 43rd Annual General Meeting of the company through video conferencing.

Now, I would like to take your few minutes to explain certain procedural and technical points.

The company has enabled the members to participate at the 43rd AGM through the video conferencing facility. The proceedings of this meeting are being recorded for compliance purposes and a transcript of the proceedings shall be made available on the company's website.

The members attending the AGM through video conferencing are being counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. The facility of joining was opened before 30 minutes prior to the time of the meeting and will remain open for 30 minutes after the meeting.

All the members who have joined this meeting are by default on mute by the host to avoid any disturbance or inconvenience arising from the background noise and to ensure smooth and seamless conduct of meeting.

Once the Q&A session commences the names of the shareholders who have registered as speaker shareholder will be announced one by one.

Only the audio of the speaker shareholder will thereof be unmuted by the host to start speaking. The shareholders are requested to click the video on button only once and wait till the video is on.

If shareholder is not able to join through video for any reason the shareholder can speak by the audio mode. while speaking we would request the speaker to use your earphone and minimize any noise in the background, so that he or she can clearly audible.

I would request the shareholder to be slow but loud while asking the questions so as to capture them correctly. We would like to request the shareholders to limit their speech upto 2 to 3 minutes.

During the meeting if any shareholder faces any technical issue, he or she may contact the CDSL at the helpline number mentioned in the AGM notice.

As per MCA and SEBI circulars, the Company has sent notice of AGM along with Annual Report to those members whose email addresses are registered with the Company and Depositories.

Now with your consent, I would like to take the notice convening the 43rd AGM and auditor's report taken as read.

The company has provided its member the facility through CDSL to cast their vote through remote e-voting and e-voting during the AGM. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Monday, September 16, 2024, only shall be entitled to avail the facility of e-voting.

The remote e-voting period commenced on Friday, September 20, 2024 at 9.00 a.m. and concluded on Sunday, September 22, 2024 at 5.00 p.m.

The members who has not voted earlier through remote e-voting can cast their vote during this meeting through e-voting facility.

The instruction for e-voting is provided in the notice.

The statutory registers and other relevant documents as referred in the notice and the explanatory statement are available to the members for inspection electronically.

And now I request the Chairman of the meeting to take the proceedings further.

Thank you

Over to you Chairman sir

- **Mr. Kailash Kumar Agarwal – Chairman and Managing Director, H.P. Cotton Textile Mills Limited**

Dear Shareholders,

Once again, A warm welcome to our 43rd Annual General Meeting.

On behalf of the Board of HP Cotton, I thank you for making the time to join us today and for your continued support over the years.

Let me now briefly touch upon the overall economic environment before I share my thoughts on your Company's performance in FY 2023-24.

The global economy grew by 3.25% in 2023. going forward, as per IMF, the global economy is expected to grow at same pace in 2024 and 2025.

The Indian economy grew at an impressive rate of 7.6% in 2023 despite headwinds generated by global uncertainty and going forward, economic growth is projected at 7.0% in 2024 and 7.2% in 2025.

Let me now speak about the business and financial performance of your company during the FY 2023-24.

In FY 2023-24, the production of sewing threads has increased by 9.53% than the previous year to 9,57,419 kg as compared to the production of the previous year of 8,74,095 kg.

In FY 2023-24, your company's consolidated revenue increased by 11.40% than the previous year to Rs. 9,355.71 lacs as compared to the previous year of Rs. 8,397.81 lacs.

Your company's consolidated earnings before interest, taxes, depreciation, and amortization for FY 2023-24 increased by 163% as compared to the previous year.

Your Company's consolidated profit after tax attributable to shareholders and non-controlling interests for FY 2023-24 increased by 105% as compared to the previous year.

Now, I would like to share your Company's performance in first quarter of FY 2024-25.

Company's consolidated revenue from operations in Q1 of FY 2024-25 is Rs. 2,532 lacs as compared to Rs. 2,629 lacs in Q1 last year.

Your Company's consolidated profit after tax increased by 150% to Rs. 47 lacs in Q1 of FY 2024-25 as compared to Q1 of last year.

Despite persistent market fluctuations and an unpredictable economic landscape, your Company is dedicated to exceeding internal standards to continuously provide value to its customers and remain a trusted supplier.

I would like to conclude by thanking to all the stakeholders including customers, vendors, employees, banks, governments and our shareholders for their unflinching trust and support. Your support is highly valued and your company's success is an indication of the faith you have always bestowed upon us.

Thank you

Now, I request Mr. Shubham Jain, Company Secretary to proceed with the agenda.

Over to you Mr. Jain

- **Mr. Shubham Jain – Company Secretary, H.P. Cotton Textile Mills Limited**

Since the AGM is being held through VC, and the resolutions mentioned in the notice have already being put to vote through e-voting no proposing or seconding of resolutions is required. I will now brief you on various resolutions, which have been proposed in the notice of the AGM.

Item number 1 of the notice has been proposed as Ordinary Resolution

To consider and adopt the audited standalone financial statements of the company for the financial year ended March 31, 2024 and the report of the board of directors and auditors thereon

Item number 2 of the notice has been proposed as Ordinary Resolution

To consider and adopt the audited consolidated financial statement of the company for the financial year ended March 31, 2024 and the report of auditors thereon

The statutory auditor report on standalone and consolidated financial statements is available on page no. 61 and 128 respectively and secretarial audit report is available on page no. 37 of the annual report. I would like to inform you that the statutory auditors and secretarial auditor have expressed unqualified opinion in the respective audit reports for the financial year 2023-24. There were no qualifications, observations or adverse comments on financial statements and matters, which have any material bearing on the functioning of the company.

Item number 3 of the notice has been proposed as Ordinary Resolution

To appoint a director in place of Mr. Raghavkumar Agarwal (DIN: 02836610), who retires by rotation and being eligible, seeks re-appointment

Item number 4 of the notice has been proposed as Special Resolution

To appoint Mr. Vikram Jhunjhunwala (DIN: 00474691) as a director and an independent director of the company

Item number 5 of the notice has been proposed as Special Resolution

To re-appoint Mr. Kailash Kumar Agarwal (DIN:00063470) as managing director designated as chairman and managing director of the company

Thank you,

Now, we would like to take up the questions from the shareholders who had registered themselves as the speaker shareholders.

- **Mr. Shubham Jain – Company Secretary, H.P. Cotton Textile Mills Limited**

We now invite our first speaker shareholder Mr. Praveen Kumar from Delhi, to speak please

- **Mr. Praveen Kumar – Shareholder**

Goodafternoon, my respected chairperson, esteemed board of directors, fellow shareholders myself Praveen kumar joining this meeting from new delhi I have the observation which I have to share with the entire house but before that sir in this financial year this is our first interaction with our management so I wish the entire management team each and every dedicated employee of the company. Coming down to my observation, the most excellent address to the shareholders very very in depth and for retail investor like me it is very very informative. Thank you, chairperson for your hard work dedication and I truly salute your spirit to create value creation for the retail investor like me on a long term basis. With whole heart I support to all the resolutions which are set out in the notice today and I am very very thankful to our respected CFO, CS for maintaining higher standards of Corporate Governance in our company even during the course of year if we have any update that will be promptly replied by them. At the end I just pray to the god that he will bless you with all the positivity so that you can keep the momentum of wealth creation and I am very very thankful that our company is taking initiative in CSR activities also that truly wonderful of the management that truly built India in a very very constructive way. Thank You Sir. Thank you for this opportunity. All the luck and all the best.

- **Mr. Shubham Jain – Company Secretary, H.P. Cotton Textile Mills Limited**

Thank You. Mr. Praveen.

Now, we invite our next speaker Mrs. Davinder Kaur from Delhi, to speak please. I think she has not joined the meeting.

Now we invite our next speaker Mr. Sarvjeet Singh from Delhi. He has also not joined the meeting.

We now invite our next speaker Mr. Santosh Kumar Saraf from Kolkata. He has also not joined the meeting.

So, we now invite our last speaker shareholder Mr. Abhishek from Chennai. Yes, Mr. Abhishek you can now ask your questions

- **Mr. Abhishek – Shareholder**

First of all, I congratulate the management on convening of Annual General Meeting. Sir trust all is well with you and your family in this challenging situation company deserves much more respect and the current market cap after completing a decade of successful operations, profitability, dividend history and becoming one of the strongest brand in respective segment.

Sir I request to convene meeting in hybrid mode because some of the senior citizens are not able to join through social platform

- **Mr. Shubham Jain – Company Secretary, H.P. Cotton Textile Mills Limited**

Mr. Abhishek. You are not audible clearly

- **Mr. Abhishek – Shareholder**

Kindly consider the Hybrid AGM sir. At CDSL NSDL Platform early exercise of evoting and when we access for general meeting proper link for documents like register of members, register of kmp's, Register of Contracts. If a link is provided to shareholders so that we may not reach out at you at later stage for seeking of all these documents. And the company has outperformed and we are really glad. But unfortunately there is no dividend shareholders are expecting a dividend management will consider the same in the years to come. And I request the management to arrange for the plant visit as and when it is feasible. Kindly give an appointment to meet you whenever we come to your city. Noting much to ask sir. I wish the company and the Board of Directors great success and prosperity in the coming future. Thank you very much sir.

- **Mr. Shubham Jain – Company Secretary, H.P. Cotton Textile Mills Limited**

Thank You. Mr. Abhishek.

- **Mr. Kailash Kumar Agarwal – Chairman and Managing Director, H.P. Cotton Textile Mills Limited**

As the discussion on all the matters has been completed and since the process of remote e-voting for the resolutions as specified in the AGM notice has already been circulated. The members are requested to note that e-voting facility will remain open for the next 15 minutes to enable the members to cast their vote on the proposed resolutions as set out in the notice of the AGM.

Members are requested to note that those members who have already voted electronically through remote e-voting are not eligible to vote in the AGM.

Mr. Mukesh Siroya, Proprietor of M/S M Siroya and Co. has been appointed as the scrutinizer for remote e-voting and also for the votes casted by members during the AGM by e-voting system under Section 108 of the Companies Act, 2013 to scrutinize the e-voting process in a fair and transparent manner. The scrutinizer shall submit his report in the prescribed manner to me within 2 working days from the conclusion of the meeting.

The results of the e-voting will be informed not later than 2 working days from the conclusion of the AGM to the stock exchange i.e. BSE and will also be uploaded on the company's website i.e. www.hpthreads.com. The scrutinizer has verified the process for remote e-voting and e-voting during the AGM.

Members are requested to vote on each of the resolution.

I believe that all the members have voted on all the resolutions and if not, then the members are requested to vote the same and CDSL shall disable the e-voting in sometime. Voting results on each resolution will be an aggregation of remote e-voting and votes casted through e-voting during the AGM, in favour or against.

All resolutions contained in the notice if carried with requisite majority shall be deemed to be passed on the date of the AGM.

I thank the shareholders for attending the meeting and for your continuous support. I also thank the directors for joining the meeting. I wish all the shareholders and their families to stay safe and stay healthy and look forward to your continued support to the company in the years to come.

With your consent, I declare the meeting as concluded.

Thank you.