

CLASSIC FILAMENTS LIMITED

TRANSCRIPT OF 32ND ANNUAL GENERAL MEETING 21ST SEPTEMBER, 2022

Good Morning, Ladies and Gentlemen, I, Bharat Patel, Director & Chief Financial Officer of the Company welcome you all to the 32nd Annual General Meeting of Classic Filaments Limited which is being held through video conferencing and other audio visual means in compliance with the circulars issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India.

It is 11.00 a.m. and as the required quorum for conducting the business is present, I call the meeting to order. I hope all of you and your loved ones are safe and keeping well during these tough times.

The members who have joined this meeting, by default are kept on mute mode to avoid any disturbances arising from background noise and to enjoy smooth and seamless conduct of this meeting. Further, if any Shareholder wishes to speak then arrangements has been made for him to express his views or alternatively, he or she may write to the Company at the email ID as provided in the notice of the AGM and the same would be addressed appropriately.

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

The Company has taken all the reasonable steps to ensure that the Shareholders are provided an opportunity to participate in the Annual General Meeting and vote.

I would like to inform that all the Members of the Board and Key Managerial Personnel have joined this meeting from the Registered Office of the Company.

Now, I would like to introduce, for the benefit of the Members, my colleagues on the Board of the Company:

1. Mr. Jayanti Gaudani, Managing Director
2. Mr. Bhavesh Dholia, Independent Director
3. Mr. Subhash Patle, Independent Director
4. Ms. Arunaben Kachchhi, Woman Independent Director

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

Please note that Mr. Subhash Patle, Chairman of the Audit Committee and Stakeholders Relationship Committee is present at this meeting from the Registered Office of the Company through Video Conference.

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Further, I would like to inform you that Mr. Jayanti Gaudani, Managing Director, holds shares of the Company in his individual capacity and Mr. Bhavesh Dholiya, Independent Director holds shares in his individual capacity as well as Karta of Bhavesh Lakhabhai Dholiya (HUF) and will be counted for ascertaining quorum.

Apart from the Directors, Ms. Ankita Shroff, Company Secretary and Compliance Officer and Mr. Sonesh Jain, Secretarial Auditor is also present at this meeting. Further I would like to inform you that Mr. Vikas Chordia, Statutory Auditor of the Company has expressed his inability to join this meeting due to some personal reasons and accordingly he has been granted leave of absence.

Mr. Prashant Kulshrestha, Partner of M/s. JKPA & Associates, Practicing Company Secretaries, has been appointed as Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting process in a fair and transparent manner. He is also present at the meeting through Video Conference.

I thank all of you for joining this meeting.

Since, there is no physical attendance of the shareholders, the requirement of appointing proxy is not applicable.

The Statutory Registers as required to be kept under the Companies Act, 2013 are available for Inspection electronically during the meeting.

Dear Members, the Notice of this meeting together with Annual Report for the year 2021-22 have already been circulated to all the members electronically.

1. With your permission, I take the Notice of the 32nd AGM and the Board's Report as read.
2. The Auditors' Report on the Financial Statements does not contain any qualification, adverse remark, reservation or any disclaimer. However, Secretarial Audit Report contains adverse remarks mentioned by Mr. Sonesh Jain which are being read as

i. There is non-compliance of the provisions Regulation 31 of SEBI (LODR) Regulations, 2015 as Shareholding of the promoters of the Company is not in dematerialised mode and as per the explanation given to us, the promoters are in the process of dematerialising their securities.

ii. The Company has maintained Structured Digital Database (SDD) in Microsoft excel workbook which is password protected and can be accessed only by Compliance Officer of the Company. However, the Company has failed to maintain checks w.r.t time stamping and audit trail to ensure non-tampering of the database in accordance with the provisions of the SEBI (PIT) Regulations, 2015.

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Apart from this, there is no other remark which is required to be read out at the meeting as per the Companies Act, 2013.

Now with your permission, I will begin my formal address to the Shareholders.

Dear Shareholders,

The Covid-19 Pandemic, resultant changes in customer behaviour and pandemic fears as well as restrictions on business and individual activities, led to significant volatility in economic activities. This testing time is a learning curve for us. This is our third virtual meeting. Couple of years back we used to meet physically. We miss the physical meetings. However, the virtual meeting allows more shareholders to join from all parts of India and even the world. We all are experiencing the power of internet of connecting people worldwide.

The Covid-19 Pandemic has changed our world. Global economic activity faced several challenges during the financial year 2021-22. As we can evaluate from the current situation, Company is facing a huge burden and continues to suffer the beating of the novel coronavirus, global slowdown and soaring inflation. However, the Management is taking all the possible steps to revive the Company and make it competitive in a global market. The phase which Company is going through is temporary and our management is confidence to get back in the business soon.

We have to reassess our strategies and working environment so as to make it compatible with the current situation and withstand our identity.

Further, we are analysing the market situation closely and trying to plan for the future accordingly. In the times to come, we will definitely overcome this challenge. We are planning our strategies in a way that helps us to mitigate the risk and secure the higher margin.

Now, let me get back to the AGM proceedings. The Company has made necessary arrangements for remote e-voting in accordance with the applicable provisions of the Companies Act, 2013 to enable the shareholders to vote on the items to be considered at the AGM.

The remote e-voting commenced from 17th September, 2022 (9:00 a.m. IST) and concluded on 20th September, 2022 (5:00 p.m. IST) as mentioned in the notice of the AGM.

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The facility of e-voting is also provided at the meeting for those members who have not yet casted their vote. Members may visit the link for e-voting page and cast their vote while viewing the proceedings of the meeting once the Chairman declares voting to commence.

I now move each of the Resolutions to be transacted at the meeting.

RESOLUTION NO 1:

I now move the first resolution for adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 including Audited Balance Sheet, the Statement of Profit & Loss, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date together with the reports of the Directors' and Auditor's thereon.

RESOLUTION NO 2:

I now move the second resolution for re-appointment of Mr. Jayanti Gaudani (DIN-03571671), who retires by rotation and being eligible, offers himself for re-appointment.

As mentioned earlier, as none of the Shareholders have registered themselves as Speaker Shareholders for the Meeting, I would like to continue with the remaining proceedings.

As per the provisions of the Companies Act, 2013, I hereby order that e-voting at AGM is provided for both the resolutions as set out in item number 1 and 2 of Notice of 32nd AGM. I hereby request Mr. Prashant Kulshrestha, Partner of M/s. JKPA & Associates, Practicing Company Secretaries, being scrutinizer, to scrutinize the e-voting at the AGM and to provide their report in the manner as prescribed under the Companies Act, 2013 within 2 working days of the conclusion of the AGM. The result will be displayed on the website of the Company at www.classicfilamentsltd.com and will be submitted to the Stock Exchange i.e. BSE Limited (www.bseindia.com) within 2 working days of the conclusion of this AGM. Members are requested to cast their votes in proportion to their shareholding as on cut-off date of 14th September, 2022. The e-voting process will continue for 15 minutes and will be disabled thereafter by the NSDL.

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Since there is no other business to transact, I declare the meeting as concluded. To sum up, I on behalf of the Board of Directors of your Company would like to convey my deepest gratitude to the Shareholders. I also take this opportunity to express gratitude to the valued customers, business associates and all the stakeholders for sharing a profound relationship with the Company and constantly supporting and strengthening the developmental efforts of your Company.

Thank You.

END OF TRANSCRIPT